LABOUR RELATIONS IN JAPAN'S
POSTWAR COAL INDUSTRY: THE 1960 MIIKE LOCKOUT

By

JOHN PRICE

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Department of  HISTORY

The University of British Columbia
1956 Main Mall
Vancouver, Canada
V6T 1Y3

Date  August 17, 1987
ABSTRACT

The essay explores the events and background of the 1960 lockout at the Miike collieries of the Mitsui Mining Co. in Kyushu, Japan. The dispute, one of the longest and most violent in postwar labour history, occurred at the same time as the anti-U.S.-Japan security treaty struggle and the two events capped 15 years of social turbulence after the war. At issue in the Miike case was the designated dismissal of 1200 miners.

In analyzing the events at Miike the author challenges current assumptions about the so-called three pillars of Japanese labour-management relations (lifetime employment, enterprise unions, and seniority-based wages). Counterposed are four factors—capitalist rationalism, worker egalitarianism, enterprise corporatism, and liberal democracy—the combination of which lend Japanese labour-management relations their specific character in any given instance.

The essay also explores the particular role of the Japan Federation of Employers Organizations (Nikkeiren) in other labour disputes in the 1950s as well as at Miike. The economic background to the Miike strike is also analyzed, in particular, the political aspects of the rationalization of the coal industry. The final chapter deals with relief measures for unemployed coal miners and coal companies during the 1960s.
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Introduction

Historical analysis of postwar Japanese labour relations is a relatively new field due to the contemporary character of the period. Much of the commentary on post-1945 labour issues has thus been left to sociologists, political scientists, or industrial relations specialists. Within these fields and even in recent historical works there has been a distinct tendency to characterize Japanese labour relations as a harmonious system upheld by the "three pillars" of permanent employment, seniority-based wages, and enterprise unions. According to this model, workers are supposedly given security of tenure in exchange for consideration of the company's competitive position (reflected organizationally by workers not engaging in industrial unionism) out of which a relationship of trust between manager and worker has developed. As C.J. McMillan, a professor at York University and advisor to Brian Mulroney, explains in his book The Japanese Industrial System:

"The enterprise union is the basic unit of employee organization in contrast to the industrial union in North America. Members of the enterprise union are the employees involved in the permanent employment system. About a third of all employees are so unionized, and this figure hasn't changed much in a decade."2

Furthermore, this labour relations model has supposedly facilitated technological innovation because under the permanent employment system workers do not see technological change as a threat. This representation of Japanese labour relations has become so pervasive that even the 1985 McDonald Royal Commission on Canada's economy recommended that the Japanese model be
adopted in Canada as a rational alternative to our "adversarial" system.

The three pillars theory has even influenced what is probably the best historical work on Japanese labour relations to date, *The Evolution of Labor Relations in Japan* by Andrew Gordon. His otherwise dialectical treatment of Japanese labour relations is, in my opinion, weakened by an attempt to fit his research within the "three pillars" model: "By the end of the first postwar decade, big business in Japan had won major battles on all three fronts. The labour relationship further evolved in a context of domination by management, and the intensity of conflict subsided. The so-called Japanese employment system discovered by James Abegglen at about this time had finally assumed its contemporary guise."

However, this harmonious model seemed to offer no explanation for what arguably was the most intense labour-management confrontation in postwar Japan--the 1960 Miike coal mine dispute. This conflict occurred five years after the "system" was supposedly in place and when the intensity of conflict was subsiding. Was Miike just the exception that proved the rule of Japanese industrial harmony, or was it evidence that led to a different appreciation of labour relations in Japan? In either case, information on Miike would provide some balance to the unilaterally harmonious image presented by advocates of the three pillars theory--hence the idea for this study.

No single incident or struggle in the history of labour relations in postwar Japan captured the attention of the nation as the 1960 lockout/strike at the Mitsui Mining Corporation's
Miike coal mine in western Kyushu. The bitter struggle pitted 15,000 Miike miners against a revived Mitsui conglomerate determined to proceed with a massive rationalization of its mining operations. Integral to this process was the proposed layoff of thousands of miners and an attempt to destroy the local union at the Miike mine by firing 300 union activists.

Mitsui's decision to attack the Miike union brought it into direct confrontation not only with the miners but also with the labour movement as a whole and, as the struggle escalated, it became a pitched battle between employers and workers. During the course of the confrontation one miner was killed and hundreds seriously injured as bloody clashes erupted when the company attempted to re-open the mine. The labour movement mobilized thousands of militants who travelled the length of country to help the miners--travelling to Miike became a holy pilgrimage and an adventure in combat all rolled into one. At one point over 10,000 police stood cheek-to-jowl with over 20,000 picketers. As commentators at the time would repeat, the Miike confrontation became an all out struggle between labour and capital.

The Miike conflict occurred at the same time as the turbulent 1960 struggle against the renewal of the Japan-U.S. mutual security treaty. The treaty was renewed, but massive resistance to it led to the fall of the Kishi government in June and a visit by U.S. President Eisenhower had to be cancelled due to strong anti-U.S. protests. The security treaty struggle and the Miike conflict fed off each other and the 1960 popular
protests mark an important chapter in Japanese political history.

It is little wonder, then, that the Miike struggle occupies a prominent spot in Japanese historical accounts of the evolution of postwar labour-management relations. In its official history, for example, the Japan Federation of Employers' Organizations (Nihon Keieisha Dantai Renmei or Nikkeiren for short and the form used hereafter) concludes that, "1960 was an epoch-making time for the postwar labour movement with the 1960 anti-security treaty battle and the Miike struggle at the center." Similar sentiments are expressed by Ota Kaoru, the past president of Japan's General Confederation of Trade Unions (Nihon Rodo Kumiai Sohyogikai or Sohyo as it is called in Japan and abbreviated hereafter in this essay), in his introduction to the Miike miners' union history: "This fight became an epoch-making episode in the history of the Japanese labour movement. Thousands, tens of thousands of activists were born in the heat of struggle and it is they who have become the core of Sohyo support today."

Indeed, it is difficult to find contemporary social or labour histories in Japanese which do not treat in some detail the events at Miike.

Unfortunately such is not the case with English language works in the same or related fields. Miike seems to have been bypassed in the rush to unwrap the secrets of the harmonious "Japanese" model of industrial relations. Virtually nothing of substance has been written on the Miike events by Western scholars except for one short article by Benjamin Martin published in Far Eastern Survey in 1962. Mr. Martin's essay, based on an article he wrote for the Japan Times newspaper while
in Japan in 1958, is highly critical of the Miike union—and is somewhat suspect. Although a U.S. union representative himself, he apparently never talked to the Miike union leaders before attacking them. After returning to the U.S., Mr. Martin became an agent of the U.S. Information Agency in Chile in 1961, later rising to become senior labour analyst for the U.S. State Department. If nothing else, Mr. Martin's involvement in the Miike struggle has added a dimension of intrigue to the work.

Given the dearth of material in English almost all of the research for this essay was based on Japanese language sources, although English works were used extensively as background material. The Japanese sources include histories published by Mitsui Mining, Keidanren (Keizai Dantai Rengokai or the Federation of Economic Organizations), Nikkeiren, the Miike local union, the coalminers national union, Sohyo, a Labour Ministry history on employment policy, and histories published by the Japan Development Bank (Nihon Kaihatsu Ginko). These histories, often 1,000 pages or more in length, reflect the biases of the particular organizations but contain a wide range of primary documentation. As such I hope the presentation of this material helps to fill a notable gap in English language material on this non-harmonious but nonetheless crucial chapter in the history of Japanese labour relations.

Research on the issue was carried out over nearly three years, a luxury which permitted me to look into the 1960 strike as well as the historical evolution of the labour-management relationship at the mine. I was also able to spend considerable
time researching government energy policy and its effect on employment patterns in the coal industry. Finally, in the course of the research I found it necessary to investigate the history of Nikkeiren which, it turns out, played such an important role in the Miike conflict. Although completely spontaneous, this multi-faceted approach has, I believe, improved the quality of this study and facilitated a more dialectical interpretation of labour relations in Japan.

As might have been anticipated, the research showed that the three pillars theory is not applicable to labour relations in the coal industry. But more importantly, the multi-faceted approach to the subject brought to light a number of factors at work at Miike which may also be important forces influencing labour relations on a more general level. In attempting to analyze the multiple forces at work, I have identified four specific factors which seem to be relative constants. They include:

- Capitalist rationalism: the economic motivation for managerial decisions usually related to maximizing corporate rates of profit. Within this economic framework labour is treated as a simple commodity;

- Worker egalitarianism: the evolving class consciousness of workers. Workers perceive their interests as being distinct from those of management and organize to defend those interests;

- Enterprise corporatism: a non-liberal approach to labour relations which evolved in Japan in the form of "enterprise-as-extended-family". This factor continues to lend Japanese labour relations much of their specificity;

- Liberal democracy: a political factor which influenced the
legal framework for labour relations in postwar Japan and also the governmental system in general. The liberal-democratic approach to labour relations was not dominant among Japanese managers prior to 1960 and may still not be.

These four factors, when taken up and used by people, constitute forces which are constantly interacting with one another, creating a dynamic dialectic in Japanese labour relations. The outcome of this dialectic lends a specific colour to any given feature of the Japanese labour relationship. However, given the diversity and range of relations, it is probably incorrect to speak of a "system" per se.

In order to present the research findings in a simple yet comprehensive manner I have not followed a chronological pattern. In the first chapter I present a fairly detailed reconstruction of the immediate events leading up to the Miike confrontation and a summary of the key elements in the 10-month dispute itself. In chapters two and three respectively, I present the historical background to managerial and worker attitudes. In the final two chapters I analyze the relationship between labour relations and the evolution of industrial policy focusing particularly on the employment issue. My own interpretation of the research is summarized in the conclusions.
Notes: Introduction


Chapter I: The 1960 Miike Lockout

The Mitsui name has been synonymous with the evolution of coal mining in Japan. The Mitsui trading company bought Japan's largest mine deposit, Miike, in 1888 from the Meiji government. It outbid Mitsubishi interests for the valuable Miike rights and Mitsui coal exports to China from the Miike collieries in Kyushu became an important source of foreign currency prior to the turn of the century. Coal from Miike represented about 15 percent of domestic production in this period and while that percentage would decline as coal mines proliferated, Miike remained Japan's single largest coal producer into the 1960s.

As industry expanded, the development of new coal mines accelerated and production jumped dramatically. Production rose from four million tons in 1893 to 30 million in 1919. Coal had powered Japan to significant military victories over China and Russia, thus helping to realize the Meiji oligarchs' ambition of turning Japan into a modern, capitalist country able to compete with Western imperialist powers. As the economy developed Mitsui mining interests expanded also and in 1911 Mitsui Mining Company, Ltd. was established. By W.W. II it operated numerous coal and precious metal mines, smelters and related facilities. With defeat Mitsui mining interests were split up under occupation deconcentration laws and Mitsui Mining retained only the coal operations: six mines—three in Kyushu (Miike, Yamano, and Tagawa) and three in Hokkaido (Sunagawa, Ashibetsu and Bibai); harbour and machine shop facilities at Miike; and sales and office staff (See Figure 1 and Table 1). Miike remained the jewel in the Mitsui Mining crown representing over a third of
TABLE 1: MITSUI MINING PRODUCTION, EMPLOYEES AND ASSETS (By Division)

<table>
<thead>
<tr>
<th>Division</th>
<th>Production ('000 tons)</th>
<th>Employees (million yen)</th>
<th>Assets (million yen)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Miike</td>
<td>1,644.4</td>
<td>15,140</td>
<td>4,428.3</td>
</tr>
<tr>
<td>Tagawa</td>
<td>1,019.9</td>
<td>9,791</td>
<td>1,918.2</td>
</tr>
<tr>
<td>Yamano</td>
<td>571.2</td>
<td>4,895</td>
<td>1,193.5</td>
</tr>
<tr>
<td>Sunagawa</td>
<td>704.2</td>
<td>5,468</td>
<td>2,288.3</td>
</tr>
<tr>
<td>Ashibetsu</td>
<td>773.0</td>
<td>4,714</td>
<td>2,727.5</td>
</tr>
<tr>
<td>Bibai</td>
<td>587.1</td>
<td>4,205</td>
<td>1,070.2</td>
</tr>
<tr>
<td>Miike Machine Works</td>
<td>---</td>
<td>1,823</td>
<td>603.8</td>
</tr>
<tr>
<td>Miike Harbour Works</td>
<td>---</td>
<td>1,480</td>
<td>365.6</td>
</tr>
<tr>
<td>Others</td>
<td>---</td>
<td>1,083</td>
<td>695.6</td>
</tr>
<tr>
<td><strong>TOTALS</strong></td>
<td><strong>5,299.8</strong></td>
<td><strong>48,599</strong></td>
<td><strong>15,291.1</strong></td>
</tr>
</tbody>
</table>

Note: Production figures are for fiscal 1953. Others are as of March 1954.

Mitsui's total coal production and employing about 15,000 workers in the 1950s (See Figure 2).

Coal remained Japan's most important fuel source immediately after the war. Japan's reserves of coal, particularly thermal coal used in power generation, are substantial, although geological conditions are such that coal seams are relatively thin and discontinuous, making mining more difficult than in Canada, for example. With the onset of the worldwide energy revolution and a general industrial trend to switch to oil as a fuel after W.W. II, Japan's domestic coal industry came under extreme pressure to become competitive with imported oil, particularly once overseas oil supplies stabilized after being disrupted during the 1956 Suez crisis.

***************

The 1958 Crisis

An economic recession and a decline in the price of imported crude oil in 1958 were two important factors which precipitated the events leading up to the 1960 Miike lockout. The coal industry had been protected from competing oil imports since 1955 when the government imposed oil tariffs and limited construction of oil converters. Through these measures, and rationalization measures also enacted in 1955, the government hoped to give the coal industry a period to modernize, to concentrate production in large, efficient mines, and become competitive with oil. The opposite occurred, however, as mines proliferated, prices increased and coal companies pocketed substantial profits. Between 1955 and 1957 the cost of regular thermal coal (Tokyo,
FIGURE 2: MITSUI MINING'S MIIKE FACILITIES

To Fukuoka

Miura Shafts

Omura Station

Local Rail Line

Miike Port

Misuar Hopper

Shisan Shafts

To Kumamoto

Ariake Sea

Source: Miike-20 nen, p. 248
CIF) jumped from 5,537 to 6,436 yen per ton, a nearly 20 percent increase. Profits for 18 major coal companies climbed from an aggregate 4.5 billion in 1955 to 12.4 billion yen in 1957. When the Japanese economy went into a short recession in late 1957, coal stockpiles began to rise but coal companies attempted to keep prices high sparking an outcry from major coal consumers. The consumers, including representatives from the steel, electric power, shipping and rail industries gathered in August 1958 to form the Federation to Oppose Crude and Heavy Oil Tariffs (Genjuyu Kanzei Hantai Domei) in a bid to obtain cheap imported oil. This action put them on a collision course with the coal industry which wanted continued protection against oil imports. Keidanren then intervened to mediate this clash between industrial sectors, forming a kondankai (discussion group) that fall. Coal consumers eventually won out in this battle, forcing the government to reverse its energy policy and make oil Japan's principal industrial fuel. However, even by the fall of 1958 the coal companies began to come under heavy pressure for price reductions, provoking them to consider serious rationalization measures including large-scale layoffs.

Coal operators, particularly Mitsui and Mitsubishi, also came under intense pressure from other quarters just as the economic squeeze intensified. Nikkeiren had been displeased with concessions the two coal giants had been making with their respective unions since 1953 and in late 1958 began to openly criticize them through the Nikkeiren Times. Sakisaka Itsuro, a noted Kyushu scholar and radical socialist, dates the initiation of management's offensive against the Miike local of the
coalminers with the publication of a remarkable full-page article in the Japan Times by Benjamin Martin, an American union representative on leave to study in Japan. Published on September 1, 1958 the article accuses the local union at Miike of ultra-leftism and using the negotiating process for political gain. Similar criticisms were voiced at Nikkeiren's October semi-annual convention by Maeda Hajime, a Nikkeiren executive director, in his report on the labour situation.

After two profitable years in 1956-57, Mitsui Mining announced losses of nearly 2 billion yen for the first half of 1958 and in September took the extraordinary measures of cutting executive and staff salaries and then refused to pay its workers full year-end bonuses that had been negotiated as part of the master agreement with Tanro that fall (the bonus was cut from 22,000 to 14,000 yen). By this time reporters had caught the scent of the coal crisis and in early October 1958 the Asahi newspaper published a major article outlining Mitsui's plans to meet the crisis. This in turn provoked the Miike local union to consider the situation and on October 17 it published a report warning its members that: "The company, from its experiences in previous struggles, will no doubt come up with new tactics. Recent labour battles have been plagued by organization splits due to the formation of second unions so we believe the company's main strategy will be to split our organization and split the fight."

Mitsui Mining officially tabled its "first company reconstruction proposal" (Daiichiji Kigyo Saikenan) on Jan. 19,
1959. The Mitsui proposal called for:

- increasing productivity by strengthening managerial controls and discipline at the worksites,
- halting recruitment of miners as stipulated by previous collective agreements,
- reducing expenditures by postponing or cancelling construction projects for housing, a hospital, baths, daycares, sewers, and roads,
- implementing reductions in labour-related expenses by cutting overtime and,
- if necessary, reducing the work force by 6,000 through "voluntary retirement" (Kibo Taishokusha Boshu).

These proposals were made to the two Mitsui union federations, Sankoren (mineworkers) and Sansharen (staff union) but both unions rejected the proposals (See Figure 3 for union structures). They resolved instead to struggle together against any reductions in working conditions, to defend democratization of the workplace and company housing sites, to maintain full employment and to fight against any firings. A "joint struggle committee" was set up between the two unions in mid-February with the express purpose of avoiding any splits in the face of the Mitsui proposals. The response of the national mineworkers federation, Tanro (an abbreviation of Nihon Tanko Rodo Kumiai—Japan Coalminers Union), to which the two unions were affiliated was to draw a direct link between Mitsui's proposed rationalization measures and that spring's wage negotiations: "The 1959 spring wage offensive is integrally related to resolving the fight against Mitsui's rationalization measures."
FIGURE 3: UNION STRUCTURES

SOHYO
(Nihon Rodo Kumiai Sohyogikai or Japan General Council of Trade Unions. A national federation formed in 1950 regrouping both private and public sector affiliates. Tanro is one affiliate.)

- Teachers Fed.
  - Chemical Workers Fed.

Other Federations

TANRO
(Nihon Tanko Rodo Kumiai or Japan Coalminers Union. Founded in 1947, it also is a national federation of affiliated unions. Sankoren in a major affiliate.)

- Fed. of Mitsubishi Mineworkers
- Federation of Sumitomo Mineworkers

Other Mineworkers Federations

SANKOREN
(Zen Mitsui Tanko Rodo Kumiai Rengokai or All Mitsui Coalminers Union Federation. Founded in 1949, it was the enterprise based union for all the miners working in Mitsui's six mines.)

- Tagawa Local
- Yamano Local

Other Mineworkers Federations

MIIKE Local
(Founded in 1946, the Miike local went on to form a Kyushu federation with Mitsui mineworkers at Yamano and Tagawa and later joined with the Hokkaido Mitsui miners to form Sankoren. The Miike local split during the 1960 lockout.)

- Bibai Local
- Ashibetsu Local
- Sunagawa Local

SHINRO
(Miike Tanko Shin Rodo Kumiai or New Miike Miners Union. Split during the 1960 lockout and took over one-third of members. Used as strike-breakers by Mitsui Mining.)
These are not separate struggles and must be fought as one."

After a series of short work stoppages during March, Tanro launched an all-out strike over the two issues on Mar. 23. At this time the Central Labour Relations Board (CLRB) intervened with a proposal to mediate in the wage negotiations. Tanro accepted mediation but with the stipulation that no agreement would be reached until the Mitsui negotiations were completed. The CLRB brought forward its mediation proposal on Mar. 31 and negotiations then moved to high level talks between Mitsui representatives on the one hand, and Sankoren, Sansharen, and Tanro on the other. On April 4 an agreement was worked out whereby the union would go along with "voluntary retirements" and reductions in welfare expenditures. In exchange the company withdrew its proposals to enforce workplace control and to cutback overtime etc. This compromise in fact constituted an important concession on Tanro's part which would reverberate throughout the coal fields. By accepting the "voluntary retirements" at Mitsui, Tanro had opened the flood gates through which other major companies soon poured. One month after the April 6 agreement Mitsubishi, Sumitomo, Furukawa and Yubetsu tabled layoff proposals to their respective unions. Mitsui had been a testing ground for gaining concessions and Tanro had indeed backed down on its own policy which, since its adoption at the Tanro's 21st annual convenion in 1958, had been to refuse to bargain any layoffs including "voluntary retirements".

Mitsui actively recruited voluntary retirees at its six mines through May and June but the 1,324 miners who stepped forward fell far short of the company's stated goal of 6,000.
Staff, however, came forward in droves with 586 ready to retire, 26 over the original objective. As a result the company estimated its savings from lower personnel costs and cutbacks in welfare would only reach 862 million yen over a six-month period, substantially lower than the 2.3 billion it had hoped for.

Tensions mounted in the summer of 1959. On the one hand, Mitsui had been unable to implement its layoff proposals and its deficit, although no doubt inflated somewhat, continued to mount. Furthermore, as stockpiles of coal increased in late 1958 the government moved to cut back production, imposing a 20 percent reduction in production with specific quotas for the major mining companies beginning May 1 and continuing for six months. At the same time oil prices continued to drop, putting further pressure on the industry. In early April Keidanren's Discussion Group on General Energy Policy had met and announced that, while a thorough review of energy policy was necessary, it expected the coal industry to begin to rationalize immediately. The increasing pressure led to contradictions within both the company and the union.

In Mitsui Mining, for example, contradictions emerged between the then president, Kuriki Kan, and the head of personnel, Yamamoto Sengo. As previously mentioned, Nikkeiren had, as early as 1958, singled out the Miike miners' local as a hot spot that had to be dealt with. This position was reiterated at Nikkeiren's two regular conventions in April and October 1959 with Maeda Hajime sounding a strong warning in his speech on the labour situation at the October meeting: "There are some mines
where women's and youth groups are extremely strong and in these places we can't guarantee major incidents will not occur which could quickly escalate into social unrest if things are not handled properly. Working closely with Maeda was Sato Kichiro, president of Mitsui Bank and Nikkeiren's chief of international liaison. Both Maeda and Sato held Yamamoto responsible for letting the Miike union gain unwarranted strength and wanted to resolve the problem quickly by firing large number of union activists as part of the Mitsui rationalization plan.

Mitsui's financial position deteriorated during the summer of 1959 and in July Mitsui Bank cut off any further financing to cover the growing debts. Summer bonuses went unpaid and Mitsui attempted to convince its unions to accept an installment plan on unpaid wages. This was refused but Mitsui implemented the plan anyway.

Mitsui mine managers were not the only ones under increased pressure. The coal unions at the local, company-wide and national levels were confronted with both an immediate attack at Mitsui, impending cutbacks at other mines, and an uncertain future as the industry faced the oil challenge. At Tanro's 22nd annual convention in June the cutbacks facing Sankoren were characterized as a special attack against Tanro's most militant component. This characterization contained, according to later accounts, the implicit issue of whether or not Sankoren had "gone too far" and, thus, invited the retaliation. This same debate carried over into Sankoren's convention in late July when the Sankoren executive tabled a two-stage battle plan. Basically the executive did not think Mitsui would resort to designated layoffs.
or firings and based its first plan on this assumption. This plan was to draw the line at designated layoffs (shime kaiko) and to compromise on "voluntary retirements" while co-operating in production. The Miike local of Sankoren disputed this approach, regarded layoffs as inevitable, interpreted the rationalization as largely a political struggle with itself and Tanro as the targets. The divisions in the union would prove decisive later. The final compromise was to fight the company and, if the central struggle committee judged it feasible, to defeat the layoffs.

Mitsui tabled its second reconstruction proposal in late August: Essentially the proposal was tougher than the first and called for 4,580 layoffs with set criteria for who should be laid off. These included:

"1) those who had little influence in the household
2) those unsuitable for work
3) those thought unsuitable for collective life
4) those in extremely poor health
5) Those over 52
6) Those under 25
7) Those with less than five years continuous service"10

Each mine was assigned a quota (Miike, for example, was expected to layoff 2,210) and those who fit the bill would be "advised to retire" (taishoku kankoku). Although this did not consist of a formal layoff or discharge, it amounted to almost the same thing. The proposal also contained further provisions to cutback social benefits, overtime, safety costs and contained provisions to regulate all outstanding local issues for each mine. Furthermore, the proposal called for splitting off the machine shop from the rest of the Miike operations and taking the skilled tradesmen
out of the Miike union.

Collective bargaining over the second proposal broke down on September 10 and the various union levels prepared for battle. Tanro's central struggle committee called for rotating strikes beginning September 16 at Miike, and at two other mines where layoffs were also expected, and for escalating limited strikes at 14 major coal companies beginning October 1. Sankoren, in the face of anticipated "designated discharges" (shime kaiko), took the position that its members would refuse to recognize any discharges, that Sankoren would guarantee the livelihood of those who refused, and that the union had to get prepared for a company-inspired attempt to create a second union.

By this time it became increasingly evident that coal-consuming industries, demanding a complete overhaul of the coal industry and drastic price reductions to bring coal prices in line with oil, had gained the upper hand. Coal operators met with labour representatives on September 7 and 18 and announced that they expected to layoff up to 100,000 out of 180,000 miners then employed by the 18 largest coal companies. The bottom line for coal consumers at this point was that their energy sources be cost competitive and that coal be forced to compete with oil. While Keidanren had always maintained the position that coal should not be protected, policy direction at this stage was not to lift oil tariffs or controls on oil converters but rather to force coal operators to reduce their prices through massive layoffs. Nikkeiren not only endorsed this policy but was convinced that as a labour relations organ it could obtain its own objective of cutting out what it considered a cancerous
threat—the Miike union—in the process of the layoffs. Thus a high degree of unity among employers emerged behind Mitsui in their attempt to rationalize and take on Sankoren and, in particular, the Miike local. A convergence between economic motivations on the part of coal consumers and political motivations on the part of Nikkeiren to reduce the influence of Miike miners, Sankoren and, ultimately Tanro and Sohyo, created a highly united capitalist class. This was much in evidence at Nikkeiren's semi-annual convention in October 1959 when the chairman of the Federation of Automobile Employers rose to present an emergency resolution on the crisis in coal to the convention which concluded: "To us this is not an issue which can be resolved simply by the coal industry. It will have important repercussions on every industrial sector and we believe Nikkeiren must go all out and extend a helping hand and through concrete measures work to bring about a fundamental resolution."

The presidents of 17 major coal companies met on September 17 to work out policies to support Mitsui's re-construction proposals. As early as February 4 that year the other coal operators had resolved to cover any shortfall in Mitsui coal shipments that might arise from a strike and, furthermore, to cover the costs of such shipments. At their September meeting the presidents resolved not to take advantage of a probable Miike lockout to steal Mitsui customers and re-affirmed their earlier decision to supply the coal necessary to cover Mitsui shortfalls.

On Oct. 5 Tanro held its 23rd special convention where the
coal crisis and impending layoffs at Miike were the main topic. It had become apparent that 100,000 jobs were on the line in the industry and this resulted in a direct link being established between the escalating Miike confrontation and coalminers everywhere. A militant strategy including reinforcing shopfloor actions, establishing self-reliant organizations, preparing for a general strike, re-inforcing unity with Sohyo and with workers in other industries, and strengthening regional and district joint struggles.

Discussions between Mitsui and Sankoren over the second re-construction proposal broke off on October 7. Mitsui began the process of garnering its "voluntary retirees" at all of its mines but the methods differed. At Miike the strength of the union made it difficult for the company to openly recruit the retirees and it therefore resorted to distributing leaflets from airplanes calling on those workers who met the criteria set out to come forward. In the other mines the company was able to "shoulder tap" (katatataki) those who fitted the criteria. However Sankoren had issued directives on October 10 advising its members to refuse to comply with layoff advice and backed up the directive with notice that those who accepted would be internally disciplined for disobeying union policy. Thus, at only two of its mines (Tagawa and Yamano) did it reach its layoff objectives while at the others it fell far short, recruiting less than one-third of its objective. At Miike it recruited only 142 of the 2,210 volunteer retirees it had hoped for.

Mitsui in the meantime successfully pushed forward with its plan to separate the Miike machine shop and the workers agreed,
splitting off from the Miike local. The staff union, Sansharen, also applied to Tanro to conclude an agreement with Mitsui. On October 28 collective bargaining resumed at which time Mitsui Coal president Kuriki asserted that Mitsui would not rest until it had reached the 2,210 layoffs necessary at Miike, including 300 "production obstructionists". The obstructionists were, from the union's point of view, its shopfloor organizers and stewards and constituted the very heart of the union. Union representatives from Miike, Sankoren and Tanro rushed to Tokyo on October 7 to work out, if possible, a joint response to Kuriki's latest pitch. The three union levels agreed to oppose Kuriki and after top-level negotiations a common bottom line was agreed upon: "a) absolute opposition to designated discharges b) the union would co-operate in production and c) if the first two items were agreed to then the union would not try to discipline members who decided to retire of their own free will."

This position is basically similar to the April 6 agreement worked out with the CLRB. The Miike union had in fact come to reject the convention of layoffs through voluntary retirements but probably agreed to this compromise because it realized that its life as a union was now at stake and that Tanro was not able or willing to take a firm stand against layoffs in the industry. Kuriki, however, was no longer willing to take such a proposal at its face value and had by this time resolved to purge the Miike union of its militant members.

Negotiations resumed briefly on Nov. 10 but broke off again on Nov. 12 at which point the CLRB became involved. CLRB
chairman Nakayama Ichiro tabled a seven-point proposal on Nov. 21 which called for labour-management co-operation in raising production, "voluntary retirements" without company pressure or union interference, and further discussions if the retirement quotas were not met. These proposals provoked an intense debate within Mitsui (one presumes between Kuriki and Yamamoto) but the mediation proposal was rejected because, the company said, it would not resolve its problem with the Miike union. Sankoren was willing to discuss the mediation proposal with Mitsui but Mitsui refused insisting that it had to discipline the Miike union. During the mediation period Sohyo held its 13th special convention where the coalminers' struggle and opposition to the proposed renewal of the Japan-U.S. mutual security treaty (Ampo) struggle were the issues of the day. The convention resolved to back Tanro financially to the tune of 300 yen per member up to April 1960. On Dec. 2 Sohyo leaders including Ota Kaoru and Iwai Akira visited Miike to meet with local members and pledged one billion yen financial support. This was followed by a visit by 32 leaders of Japan's largest unions who brought with them 75 million yen in contributions and assurances of a further 1.8 billion in loans. On December 2 Mitsui mailed redundancy notices to 1492 workers at its Miike operations.

The Miike union responded with general meetings in the regional assemblies (chiiki bunkai) and at the workplace (shokuba bunkai) which culminated in a 24-hour general strike (the 17th since the start of the rotating strikes) and a huge demonstration in which, even according to company documents, 30,000 miners and their families and supporters participated. Of the 1492 workers
given notice 212 decided to accept the notices while the remaining 1,278 declined and were subsequently mailed registered letters on December 10 informing them that if they did not accept the layoffs by December 15 they would be fired. On December 15 1,202 workers were fired. This included over 600 union activists as well as 120 Socialist Party members and 31 members of the Japan Communist Party. The Miike union continued its tactics of rotating strikes and on January 7 the union ordered its members to begin a disobedience campaign which led the company to retaliate with a full scale lockout of all its Miike facilities except the port on January 25. The union retaliated the same day with an all-out strike shutting down the port as well.

Three Hundred Twelve Days

The Mitsui lockout was not a spontaneous decision but a carefully planned strategy which had been worked out, in a general sense, after Mitsui lost a 1953 dispute where union-organized slow-downs and partial strikes had paralyzed production and forced Mitsui to withdraw a layoff proposal. At that time Mitsui felt it was unable to retaliate with a general lockout for a variety of reasons. Since then the company had taken measures to ensure it was in a position to implement a general lock-out. As mentioned earlier, Mitsui had come to agreement with the other major coal companies that a) Mitsui's market share would be preserved in the event of a strike and b) the other operators would cover any shortages in Mitsui coal shipments due to the strike and absorb any extra costs. Furthermore, Mitsui had the full support, and even exhortation, of Nikkeiren to purge
the Miike local. Finally, Mitsui had lined up financing to undertake the lockout. The Mitsui Bank, under Sato Kichiro, had cut off further financing to Mitsui Mining in July 1959 for both economic reasons and, one might reasonably suppose, to pressure Mitsui Mining into disciplining the Miike local union. Once the battle was joined Sato was more than happy to turn on the financial tap once again and, under his leadership, a cartel of eight banks including Mitsui Bank and Mitsui Trust was established to finance the fight. Over the course of the dispute these eight banks provided Mitsui Mining with 6.9 billion yen in loans with the first installment of 3.3 billion handed over at the end of 1959.

Mitsui also adopted a strategy to directly intervene in the Miike union in an attempt to split it. Opposition to the militant tactics of the local had existed ever since the 1953 strike and the company now counted on that opposition to form the nucleus of a "second union". To avoid the appearance of direct involvement which might result in legal action against itself, Mitsui called on the services of professional union-busters such as Mitamura Shiro and, according to union documents, on at least three separate occasions dissident elements in the Miike local attended "lectures" and "schools" sponsored by Mitamura and his cohorts, with 280 attending a "Labour University Short Course" in Fukuoka on March 12-13. Union claims that such activities were sponsored by Mitsui seem reasonable since Mitsui itself admits organizing similar "lectures" in the early 1950s.

In the initial phases of the lockout/strike Mitsui was
clearly on the offensive while the unions, including the Miike local, Sankoren and Tanro, were forced on the defensive as splits occurred. Tanro apparently was not fully aware of its precarious position. At its 24th Convention on Feb. 14 further financial support of 600 yen per affiliated member (1000 for workers in the Mitsui union federation) was resolved. On Feb. 26 Tanro's Central Struggle Committee even came to the conclusion that the situation was increasingly favourable for the miners due to a decrease in coal stockpiles, a growing anti-Kishi sentiment related to the security treaty dispute, and continued progress in Shunto momentum. It decided to call an all-out coalminers strike for April 5 with Sankoren going out some days earlier. In the meantime the staff union, Sansharen, communicated its refusal to pay the 600 yen per member Miike support assessment to the Tanro Central Struggle Committee on March 3. This fissure in union solidarity cracked wide open a week later when the opposition in the Miike local presented the union's executive committee with a petition signed by 96 out of 254 members of the central committee calling for a special general meeting of the entire central committee to consider ways of quickly ending the dispute. The executive of the union acceded to the request and a special meeting was held on March 15 with thousands of workers and supporters from both sides demonstrating outside the meeting hall. The dissident faction submitted a four point proposal calling for 1) an end to the strike and re-opening negotiations, 2) acceptance of "voluntary retirement" for those dismissed and to get the company to help find new jobs and to cover interim living expenses, 3) legal redress for those who refused to be
dismissed and, 4) their proposal to be put before the general membership in a secret ballot. The central committee refused the request and the opposition then left the hall.

On March 17 the opposition forces held a special meeting which became the founding convention of the "New Miike Mineworkers Union" (Miike Tanko Shin Rodo Kumiai or Shinro for short) and in their report to the company cited an initial membership of 3,076 members. The new union was immediately recognized by the company and negotiations between the two parties led to a March 24 agreement to start up production with the new union. All of the issues in dispute were left to future deliberations, the old contract was resumed and the lockout lifted.

During this period Tanro and Sohyo responded to the situation first by sending in 2,000 reinforcements (Orugu dan) with, in the case of Sohyo, union activists spending five nights and six days in each shift backing up the picket lines at the mine. On March 18 Tanro implemented Directive 203 calling for a general strike in coal on April 5 and an earlier walkout by Sankoren. A week later, however, it became evident that the other Mitsui local unions were unwilling to strike and union leaders in the other mines warned of further splits within the union if Tanro pressed ahead with their strike strategy. On March 27 the Tanro Central Struggle Committee admitted defeat, called off the planned strike and initiated a mediation application to the CLRB to resolve both the Miike dispute and that year's wage increase. But having successfully isolated the
Miike local and with the momentum in its favour, Mitsui declined to enter into the union-initiated mediation process, informing the CLRB chairman of its decision on March 28. Despite Mitsui intransigence, the new CLRB chairman, Kobayashi, decided to proceed with mediation announcing his intentions that evening. The wage issue, however, would be dealt with separately, a process which the other major coal companies agreed to.

Mitsui had made important progress in its attempt to purge the Miike union by skillfully utilizing divide-and-rule tactics. For example, at Mitsui's Bibai colliery in Hokkaido miners had not come forward to "voluntarily retire" in the numbers desired but Mitsui did not attempt to lockout the workers. Instead it proceeded with an ongoing campaign to find voluntary retirees but this strategy was expressly dismissed for the Miike union. As Mitsui President Kuriki expressed it, it was not just a question of quantity but also one of quality; in other words, Mitsui was determined to fire 300 union activists at Miike come what may. Mitsui Mining's labour relations director, Yamamoto Gengo, recounted in his recollections of the strike how he had opposed the Nikkeiren/Kuriki view that it was necessary to openly purge the Miike local. By soft pedalling the layoffs in the initial stages Mitsui had been able to cajole Sankoren and Tanro into accepting voluntary layoffs, thereby eliminating the issue as the basis for a common struggle by the Miike local, Sankoren or Tanro as a whole. Once Sankoren, the most militant component in Tanro, accepted the April 6 agreement layoffs (in the form of "voluntary retirement") were inevitable in the other coal mines given the economic rationale of the industry and government at the time. A
second factor which allowed the company to divide Sankoren and Tanro was its campaign to malign the Miike local which, as Sakisaka Itsuro pointed out, began in 1958. This campaign became crucial when Mitsui let it be known in late 1959 that it was determined to purge the local union. By branding the Miike local as troublemakers Mitsui had been able to sow certain seeds of doubt about the Miike union—perhaps they had indeed gone too far in their militant tactics.

While Tanro was reeling from the divisions within, the Miike local continued to stand firm despite the formation of the breakaway union. Mitsui's determination to break the Miike local and restart production using the new union as strike breakers led to vicious clashes on the picket lines. In the early morning of March 28, 1500 members of the breakaway union charged the picket lines at the Mikawa mine and the ensuing clash turned bloody with over 100 workers injured. The evening headlines of the Asahi Shimbun screamed "Unions Clash at Mitsui Miike". That evening Mitsui applied for, and received, a restraining order from the Fukuoka District Court, prohibiting the first union from entering the mine but barring them from preventing breakaway union members from entering the mines. The Miike local took the position that the breakaway union itself, not to mention the negotiations with the company and the lifting of the lockout, all constituted unfair labour practices. The picket lines remained and in the late afternoon of March 29 a picketer from the original union was stabbed during a clash with one of the pro-company goon squads and died shortly thereafter. Miike once again received national
headlines and the picketter's tragic death not only engendered widespread sympathy for the Miike original union but it raised the battle at Miike to a new plane--national politics. As the Asahi Shimbun's March 31st editorial pointed out, the incident had endangered the company's position and it was inevitable that criticism of the company for provoking things to the point of a murder should surface. "Even in the Diet criticism is being raised and the question asked why did the company insist on restarting production when blood was surely going to be spilled. Even the bloody incident between the two unions on March 28 could have been avoided if the company had not attempted to start up again". Thousands of mourners gathered in memorial services for the murdered striker in the following days but, despite the adverse publicity, Mitsui refused to enter into mediation.

Nevertheless, CLRB chairman Kobayashi released his mediation proposals in early April. His first proposal, tabled on April 5, called for a 395 yen per month wage increase for miners, a proposal which both the coal operators (except Mitsui) and Tanro agreed to. The second proposal, tabled the following day, dealt with the Miike situation and called for a)Mitsui to rescind the December 10 designated dismissals; b)those named by the above would voluntarily retire on the same day; c)an additional 10,000 yen severance allowance would be accorded and d)the company should help to find them new jobs to the extent possible and consider rehiring them once the company was back on its feet. The proposal was a clear cut endorsement of Mitsui's position and a blow not only to the Miike union but to Tanro and Sohyo in particular. Sohyo general secretary Ota Kaoru, realizing the
serious implications of the Miike striker's death, clearly stated his position to CLRB chairman Kobayashi in a March 30 interview:

"1) By setting up a second union and employing goon squads the company is trying to destroy the first union. We won't yield and will fight to the end. The death of Kubo has reinforced the unity of workers there. Sohyo also intends to step up the fight at Miike and will send in further reinforcements. 2) The company shows no remorse regarding the recent incidents. If it insists on re-opening the mine the bloodletting can't be avoided. In order to avoid this worst-case scenario we expect a mediation proposal based on an impartial CLRB analysis. 3) To condone the firing of the 1200 workers is to legitimize future firings due to technological change. Moreover it is a complete denial of workers' rights and submission to the current policy of making the union movement a hand-maiden to capitalists."25

Taking such a position with Kobayashi was one thing, but to convince Sankoren and Tanro to reject the mediation proposal was another— a lot of water had gone under the bridge before Ota decided to get his feet wet. Tanro's 25th Convention was slated to begin on April 8 but because the Central Struggle Committee was deadlocked over whether or not to accept the Kobayashi proposal the convention opening was delayed a day and even when it did open on the 9th it almost immediately went into recess. Sankoren threatened to walk out if the mediation proposal were not accepted despite Ota's pleas to reject the proposal in his speech opening the Tanro convention. Two emergency meetings of Sohyo's general council were called just prior to and during the Tanro convention where new support policies were adopted including a further 150 million yen in financial aid. The Miike local also sent delegates who pleaded for Tanro to continue
the fight. The Miike local's central committee had unanimously rejected the Kobayashi report. On April 17, the Tanro convention voted to reject the Kobayashi report. Sankoren, having walked out of the convention a number of times, washed its hands of the struggle and on March 18 the Miike local left Sankoren. Tanro was in tatters but the fight continued. As the Miike local's own history summarized: "The period from the formation of the breakaway union and the failure of Tanro Directive 203 to the rejection of the Kobayashi report caused qualitative changes in the nature of the Miike fight. It transformed a Tanro dispute into a Sohyo battle and brought about a new phase in the struggle."

Sohyo had committed itself to a nation-wide campaign of support for the Miike miners. Its strategy was to try and link the Miike struggle with the anti-security treaty struggle. At the Miike mine itself the confrontation centered on control of the Mikawa colliery hopper which was a bottleneck in the production process. The Miike union, backed by thousands of Sohyo activists, concentrated its picketing at the Mikawa hopper and clashes erupted between the Miike strikers, breakaway union members attempting to get into the hopper, and the police. In a April 20 incident a number of people were injured and on May 12 violence flared up again as police charged 2,000 picketers at the hopper. 180 people sustained injuries. The town of Omuta was in a state of siege. In an extraordinary measure Sohyo decided to hold its 14th Convention in Omuta from June 8-9, the first time it had been held outside of Tokyo. This was followed by Tanro's
26th Convention held in Fukuoka June 13-14. While largely symbolic the convening of the general assemblies near the scene of the Miike confrontation did serve notice that Miike was not simply a regional struggle but was intimately linked to the national political situation, in particular the anti-security treaty struggle.

The Miike battle escalated to a fever pitch during July as pitched battles were fought at sea when Mitsui tried to bring in replacement miners and supplies to its island collieries. On July 5 the Fukuoka District Court, responding to a Mitsui appeal, placed the area around the Mikawa hopper under the direct legal control of a court officer. With this writ Mitsui was getting ready to completely eject the Miike strikers and their supporters with the backing of the courts and the direct intervention of the police. A bloody showdown was in the offing. Sohyo in the meantime prepared for battle dispatching 10,000 union activists to defend the Mikawa hopper picket line and also called for a mass demonstration on July 17. Tensions reached fever pitch on that day as 20,000 unionists picketing the Mikawa hopper stood face to face with 10,000 police in full riot gear. Nearby 100,000 Miike union supporters gathered in a huge rally. The mobilization of union support led to a standoff but Mitsui was determined to have the Mikawa hopper cleared of picketeers before its interim injunction expired on July 21. Tensions increased.

The fall of the Kishi cabinet on July 15 and the ascent to power of Ikeda Hayato as leader of the LDP represented, if not a fundamental break with the conservative and anti-communism of Kishi Nobusuke, at least a determination to defuse the explosive
situation at Miike. Ikeda formed his cabinet on July 19 and appointed Ishida Hirohide as labour minister with the mandate to intervene immediately in the Miike confrontation. Ishida called on the CLRB to mediate and the CLRB initiated discussions with the two sides. The CLRB, with the government's backing, demanded that the two sides more or less accept binding arbitration with the two previous mediation proposals serving as a basis for the final decision and, on this basis, that the confrontation at the Mikawa hopper be averted. Pickets could remain at the Mikawa hopper.

This proposal was accepted by the Miike local, Tanro and Sohyo and indeed the picketeers at the Mikawa hopper were exuberant about the government intervention feeling that their perseverance had brought the fight to a standstill and that the government could not use force to rout the workers given their numbers and determination. The government's decision to avoid a showdown also caused consternation among certain sectors of the ruling class. Mitsui was unhappy with the proposal and wanted the government to first give a lesson in law and order by enforcing the court order to clear the hopper of pickets. In what must have been an extraordinary session Ishida personally went to Mitsui headquarters on July 20 to meet the top leaders of the business world including Sato Kiichiro, president of Mitsui Bank, Uemura Kogoro—vice president of Keidanren, the chairman of the Japan Chamber of Commerce, four top Nikkeiren officials as well as Kuriki to persuade them to go along with mediation. In the end Ishida and the government won out, Mitsui's court order
expired without being enforced and both parties acceded to the mediation process. Calm spread in Omuta.

On August 10 the CLRB came down with its ruling which included the following points:

- the designated layoffs appeared unavoidable and it was impossible at that stage to deal with each individual case to establish whether the layoff was justifiable;
- workshop struggles had gotten out of hand and blame was attached to both the company and the union;
- violence had gotten out of hand and was unacceptable;
- the company should rescind its designated layoffs but those named should voluntarily retire;
- those retiring and those named would receive 20 and 50 thousand yen respectively;
- those laid off could appeal their cases to the labour board or the courts;
- the government and company would work to find those laid off new jobs;
- the company and unions would form a committee to work out details to restart production and the company would not discriminate between the new and old unions.

The company immediately accepted the mediation proposal but the Miike local rejected it. Once again Tanro faced an impossible decision. The issues were thrashed out at Tanro's 27th Convention in Tokyo beginning on August 18 but again the delegates found themselves deadlocked and the convention was adjourned for further reflection. Finally, after nearly 20 agonizing days the convention ratified the proposal despite the
objections of the Miike local. Almost all agreed that the proposal was unjust and anti-labour but the view that the union movement was unable to continue the struggle given the forces against it eventually won out. The emotional moment was recorded by an Asahi journalist:

"When the CLRB mediation proposal was adopted, the 60 people from the Miike local who were crammed into the back of the Tanro convention remained silent, neither clapping nor speaking. They appeared stupefied. Among the miners' wives with their white headbands, a few women cried. A number of motorcycle riders who had come up to the convention in khaki suits and white helmets struggled to take off white jerseys enscribed in bold letters "Reject the Mediation Proposal". Most of the Miike wives are in tears or are wiping their faces with handkerchiefs. It wasn't unexpected but as one terminal in a long, bitter struggle--and having to swallow 1,200 dismissals--the disappointment went deep. Looking at those faces even I feel tears on the way. Later in the hallway wives hugged each other, crying. "Stop crying now, it's not a time for tears," Sakisaka Itsuro softly chides them, his own eyes red with emotion. At that the wives burst out, tears rolling down their cheeks. The CLRB proposal was adopted amid Miike's tears of grief."

Following the Tanro decision the Miike local had no choice but to follow and on Dec. 1, 1960, 312 days after the lockout began at the mine, the Miike miners returned to work. The original union survived, scarred but resolute, and continued the struggle to preserve its autonomy.
Notes: Chapter I

1. Figures for prices and profits from Shiryo: Miike Soqi, p. 434, 436.


3. Martin's article is an open attack on the union. Interestingly enough, articles by Martin similar to this one were reproduced in Far Eastern Survey and in Postwar Japan (New York, Random House, 1973). Martin's role in this whole affair and his own status are somewhat, to say the least, suspect. It appears that Mr. Martin joined the United States Information Agency in 1961 as a field officer in Chile and then went on to become senior State Department Labor Analyst. A CIA connection is not unlikely. Moreover, Sakisaka indicates that Martin met with Mitsui officials (and not with any union representatives—somewhat strange given that he was a union man himself). Sato Kiichiro, a prominent anti-union executive with Mitsui bank, was also Nikkeiren liaison for international affairs at this time and, although the evidence is circumstantial, it is possible Martin was in contact with Sato and Nikkeiren.


5. For the complete proposal see Shiryo: Miike Soqi, p. 442-448.


7. Nikkeiren Jigyo Hokoku, 1959, p. 61, my emphasis.

8. For Yamamoto's perceptions of the situation see Nikkeiren Sanjunenshi, p. 744-745.


10. Ibid., p. 484.


12. Ibid., p. 552.


17. Shiryo: Miike Sogi, p. 175.


20. Mitsui admits organizing a series of lectures at Enoshima by the same right-wing leaders in 1952 as part of a special anti-communist "factory defense movement" initiated by Nikkeiren. It was found guilty of unfair labour practices by the CLRB at the time. For details of Mitsui's previous involvement with the Mitamura school see Shiryo: Miike Sogi, pp. 113-118.


29. Asahi Shimbun, September 6, 1960, p. 3.
Chapter II: Nikkeiren and Postwar Labour Relations

The important role Nikkeiren played in the Miike dispute and the contradictions that arose between Maeda Hajime and Mitsui Mining's Yamamoto Gengo are significant and merit further investigation. They indicate the possible existence of divergent managerial approaches to labour relations in the postwar period. Nikkeiren domination during Miike, however, also seems to point to a dominant "hard line" approach towards unions. This chapter contains a summary of the Maeda-Yamamoto debate, investigates Nikkeiren's role in other labour disputes and attempts to politically characterize Nikkeiren's approach to labour relations.

Nikkeiren and Miike

The contradictions between local Mitsui executives, particularly Yamamoto Gengo—Mitsui Mining's director of labour relations—and Nikkeiren officials are documented and provide valuable insights into the machinations of Japanese executives during this dispute. In his recollections of the Miike strike, Yamamoto reveals that Nikkeiren officials overrode his strategy for dealing with the Mitsui mineworkers and insisted on breaking the union by firing 300 union activists:

"Well, in the end analysis it became, as Ota Kaoru put it, a general confrontation between capital and labour, but we had no such intention. We thought we had to resolve the disputes that arose by ourselves. We worked with the view that one way or another we had to stop the hemmoraging on both sides and resolve the situation peacefully and quickly. Then, well this is linked to Nikkeiren's motto, 'managers: be strong and fair' you see.
My feeling was that we were entrusted with an industry which, as I had been told by Sakurada, was essential and therefore a national institution and so workers and employers had to get together and put the industry before anything else. [The union] fought over issues it thought important I guess, but if the company went under then the union members would lose their livelihood and so this was the basis for my actions. But this issue of being a public institution was a little weird within the company. One thing was that we couldn't unite within the company.

Then Nikkeiren, and this was proper education mind you, brainwashed the executive set. The idea that managers had to purge the insolent types--like those from the red purge--the type who obstructed production or business was pushed pretty thoroughly. Take my experience for example. The type like Sato Kiichiro who was head of Mitsui Bank at the time. I think he was a one of those very influential leaders through his close relationship with Keidanren and Nikkeiren. To us executive types he used to tell us in no uncertain terms that 'you'd better get rid of those rotten apples quick'.....As far as the dispute went the fundamental issue became the firing of 300 production obstructionists but I never agreed and considered it an issue of layoffs due to economic reasons."1

Besides Sato Kiichiro, Mitsui Bank president at the time, another key Nikkeiren official was Maeda Hajime, a founding managing director. Unlike Sato, whose Nikkeiren responsibilities were secondary to his post as Mitsui Bank president, Maeda was Nikkeiren's chief-trouble shooter and, due to his delicate position, was a full-time official with no other corporate postings. Upon retirement in 1969, Maeda wrote a 30-page essay outlining his views and recollections of the development of Japanese labour relations. Fortunately, he specifically recalls the Miike strike and his own role in it. Maeda says that he rejected the first mediation report (December 1959) calling for "voluntary retirement" and after he talked it over with Mitsui
Bank president Sato Kiichiro and Mitsui Mining president Kuriki they agreed that the proposal was unacceptable. Maeda analyzed the problem:

"There were two kinds of poisons that were eating at the roots of Mitsui Mining. One was the power of the union in the mines—-they were so strong they could defy foremen's orders. The other was the influence the union had in the company residences—-they were strong enough to eliminate company influence. Labour relations at Miike generally were unstable due to syndicalist ideas and action, and it was hopeless to expect a return to sound management without resolving this problem."

Maeda also recalled the dispute that he had with Yamamoto at the time:

"He [Yamamoto] probably thought that my opposition to the Nakayama mediation proposal was a big stumbling block so he came to my office at Nikkeiren to give me an earful. In essence he said, 'The problems at Mitsui Mining have to be resolved by the company itself. Interfering statements from the outside by third parties such as Nikkeiren are only causing problems so please stop.' But it was just at that time that Ota Kaoru first made his statement that the Miike dispute was a fight between general labour versus general capital. The issue had gotten to the point where it was now a social, no, even a national issue."

His own statements notwithstanding, Maeda's involvement in Mitsui Coal's labour relations predates any significant involvement by Sohyo or Ota Kaoru, however. A review of Nikkeiren's annual reports for the years 1958-1961 largely substantiates Sakisaka Itsuro's claim that the attack against the Miike miners was well under way by late 1958 and escalated during 1959. Nikkeiren met in general convention twice a year and at each convention during this period Maeda addressed the business leaders giving a report
on the general labour situation. In his address to the October 1958 convention, Maeda, after denouncing the hesitation of the police to enforce law and order during a strike at the Oji paper mills that year, attacked the Miike local union's successful strategy of waging struggles on the shop floor: "Beginning with Tanro and Shitetsu a large number of federations are loyally implementing the directive on shop floor struggle and already in one company over one thousand grievances have been raised at one work site and the foremen are going crazy." During the same speech Maeda lauded Zenro Kaigi (a right-wing union central in opposition to Sohyo) for its reasonable approach to labour relations while accusing Sohyo of becoming increasingly "communistic", a trend he attributed to four factors: communist infiltration; the syndicalism of Takano (a former Sohyo chairman); the presence of public sector unions which tended, unlike private sector unions, to be political; and the influence of the Rono school of thought (a non-communist but radical socialist tendency) among academics and cultural types within Sohyo.

Maeda's most fervent attacks against Yamamoto's policies and the Miike local came out in his address to the April 1959 Nikkeiren convention. Maeda attacked a 1955 long-term full employment agreement signed by Mitsui (which Yamamoto had recommended) and Sankoren: "It is beyond me why in the world they signed a long-term full employment agreement which puts into question managerial rights when managers themselves should decide on employment levels and quality." Maeda then lashed out at
Mitsui for pussyfooting around the layoff issues and saw little hope for Yamamoto's "voluntary retirement" proposal (the April 6 agreement): "There's been a lot of opposition in this round of Shunto (the spring wage offensive) and while the company's reconstruction proposal seems to be resolving things if in a somewhat distorted way, the problem still remains as in the past". By the fall the writing was on the wall for Yamamoto's approach and Maeda, Sato and Kuriki began to prepare to take on the Miike union, arranging co-operation from other coal operators (September) and obtaining financing (October-November). Their determination to take on Miike miners became public with their rejection of the Nakayama mediation proposal in December. As Nikkeiren's official history summarized: "Regarding the Miike struggle, as we mentioned before, the view that it was necessary to avoid a showdown with the Miike union held sway within the company at the beginning. However, once the plan for a showdown was decided on, the anti-agreement view triumphed with [Mitsui] president Kuriki leading the way. This was due, among other things, to the fact that the other coal operators had readied an unprecedented system of support and co-operation."

The evidence that Nikkeiren played an instrumental role in provoking the lockout seems pretty conclusive. But what is not clear is the significance of the differences between Nikkeiren and Yamamoto, and to what extent Nikkeiren's role at Miike typified Nikkeiren's activities.

Nikkeiren Targets Militant Unions

Immediately following the war's end Japanese executives were
in a tight spot. On the one hand they came under investigation by U.S. occupation forces attempting to establish individual complicity in war crimes. Furthermore, the zaibatsu were targeted for dissolution as SCAP had concluded that excess capitalist concentration was one of the many factors which had led to Japanese aggression. Finally, businessmen were the targets of a powerful union movement which spread like wildfire throughout the country's mines, mills and offices during the 1945-49 period. Nevertheless, businessmen made every attempt to maintain organizational links in postwar Japan and, when U.S. occupation forces shifted their policy emphasis from liberalism and economic aid to anti-communism and restraint after 1947, these links blossomed into national business federations. Nikkeiren was established in April 1948 as the business community's main labour relations organ. From that point on one of Nikkeiren's main objectives was to emasculate the trade union movement. An integral part of this process was to crush unions which, in Nikkeiren's opinion, encroached on management's rights. Thus from 1948 right through to the 1960 Miike lockout Nikkeiren was intimately, if at times surreptitiously, involved in key labour disputes and was particularly influential in disputes which involved strong unions. To take a few examples:

1) Toshiba-1949: The union at Toshiba was renowned for its ingenious tactics and it became a Nikkeiren target as part of the 1949 rationalization movement spurred by the impact of the Dodge line. The company announced layoffs of one-quarter of its work force (4,581 employees) and after the union began dispute tactics
a breakaway union was formed which the company immediately recognized. By November the original union was crushed and the layoffs implemented. This struggle is well known but Nikkeiren involvement has not, at least in English-language works, been fully recognized. In the Toshiba case both Sato Kiichiro and Maeda Hajime played noteworthy roles. It was Sato who appointed Ishizaka Taizo as Toshiba president just before the strike. Ishizaka and Sato went on to become chairman and vice-chairman respectively of Keidanren. Maeda Hajime recalled the Toshiba strike:

"During the big dispute at Toshiba I took the present director and Yamashita along with me to attend weekly meetings of the dispute policy committee at Toshiba headquarters. Ishizaka Taizo, who is now known as the prime minister of the business world, had just become president of Toshiba after being with Daiichi Seimei Insurance. It seemed it was another world there and disputes and dispute countermeasures were completely unknown."10

2) Nissan-1953: The 1953 Nissan dispute appears to follow an almost identical pattern to the Miike strike. The most authoritative account of the lockout in English is by Michael A. Cusumano in his recent book, *The Japanese Automobile Industry*. Nissan decided to rout the union because its shop committee system had become too strong. Maeda Hajime and Nikkeiren played an instrumental role again, according to Cusumano, warning the business community about the shop committee system and openly encouraging Nissan executives to defy the union. Nissan followed this view and locked out the workers, fired the union leaders and, when this failed to bring the workers to their knees, helped set up a second union with the support of far right anti-
communists linked with the Mitamura school which was involved seven years later at Miike. Nikkeiren played an active role throughout, providing legal assistance, arranging jobs for Nissan subcontractors, and lobbying with other automakers to prevent them from taking over Nissan's markets during the lockout. The Industrial Bank and Fuji Bank financed the lockout to the tune of 540 million yen and part of these funds were channeled to the breakaway union.

Maeda's own recollections of the Nissan strike tend to confirm Cusumano's version of events:

"Kawamata pondered the idea of firing these guys [Masuda Tetsuo and other union leaders] for a number of days. An advocate of quick and resolute decisions on firings myself, I urged Kawamata to make the move. In these cases if you fire the leaders you either irritate them and create confusion or they will simply disappear, floating up from the company and dispersing like grass without roots. I believed it would be the latter."12

In fact even after the firings Masuda and other union leaders retained overwhelming support. If the grass didn't float Maeda and Nissan executives arranged to have it cut, financing the breakaway union and conspiring to have Masuda and other union leaders arrested. In the process they not only broke the Nissan union but bankrupted Zenji, the autoworkers federation.

3) The Nihon Steel Muroran Works-1954: Again one particular workshop with a tradition of militancy resisted a company proposal for layoffs. The company was unable to persuade the union to allow "voluntary retirements" and so it helped create a breakaway union which immediately gained company recognition and
tried to restart production, provoking clashes with the original union. The first union was eventually crushed and expelled from the steelworkers federation and the layoffs finally enforced. Nihon Steel is affiliated with the Mitsui group and Sato Kiichiro's shadow again crosses the stage: "The person who helped this company's rehabilitation financially was Sato Kiichiro (president of Mitsui Bank)." In his memoirs Maeda linked the Muroran and Miike disputes because of third-party involvement: "The dispute at the Muroaron Steel Works seemed to be a defeat for labour with the appearance of the second union. On labour's side, Sohyo, and on the employers side, Nikkeiren, appeared to be giving both open and covert support and leadership."

4) Oji Paper-1958: This 1958 lockout/strike was one of the more direct attempts at union bashing with the Oji Paper company challenging the basic "union shop" principle from the outset. The company (again a Mitsui affiliate) helped created a breakaway union for its white collar workers in head office and then branched this out into its factories. The original union was well known for its militancy, high wages and good working conditions which it had won for its members. The paper company got an injunction banning original union workers from its property and tried to restart production with the breakaway union which had affiliated to, and received the support of, Zenro Kaigi. Violent clashes between the two unions and the police occurred with scores injured. In the end the original union lost its bid to maintain Oji as a union shop.

These disputes are generally recognized as being among the
most important in Japan's trade union history. What is common is that they all involve a deliberate attempt to destroy a union which did not identify its interests as being the same as the company's. While such attempts are not unheard of in Western countries, the scale and consistency of the attacks is remarkable. In many key industries—steel, auto, electronics—such battles occurred and they often had a strong ripple effect. For example the 1953 Nissan lockout led to the dissolution of a militant industrial federation of autoworkers.

Analyzing the Miike lockout in light of these earlier struggles, a relatively clear pattern emerges of a postwar managerial conspiracy to circumscribe labour militancy and to reconcile workers and their unions to capitalist control in the workplace. Given the new political reality of legalized unions and a new vital labour movement, the choice facing managers was not whether unions in general should be allowed to exist or not. The choice was to decide which type of unions they could live with and which they could not and then to take whatever measures necessary, legal or illegal, to get rid of non-compliant trade unions. Toshiba, Nissan, Nihon Steel Muroran, Oji, and Miike, among others, fell in this latter category. Nikkeiren summarized this in its own way:

"At the same time, this [the Miike battle] was the climax in a lineage of long struggles beginning with the Tanro and Densan unlimited general strikes right after the peace treaty, continuing through the Nissan and Nihon Steel Muroran disputes and up to the Oji Paper battle."17

While Nikkeiren uses the length of strikes as its chronological
framework this does not do justice to the fundamental issues involved in these disputes.

Intense labour-management confrontations began immediately after the war as unions got organized and challenged, in many cases, managerial hegemony within the enterprise. In the beginning these battles, such as the production control fights in 1946, were relatively short because managers were very much on the defensive and realized they had little choice at that stage but to give in to union demands. If the disputes became longer it was because the unions under discussion were fighting for their very existence and had a certain amount of experience and confidence and were not about to roll over in the face of management intransigence.

Nikkeiren Ideology

It is beyond the scope of this essay to do an in-depth analysis of Nikkeiren postwar policies but certain essential elements do stand out. Beginning to understand them is essential for an accurate appreciation of the causes and implications of the Miike strike. Let us look briefly at those policies and the ideological underpinnings which led to their formation and execution.

Like managers everywhere Japanese executives wanted to maintain control and domination of the means of production and at the same time wanted to prevent a strong working class reaction from becoming organized and channeled into ongoing attempts to challenge managerial domination. For a period immediately after the war that control had slipped and the spectre of revolution
had sent shudders through executives everywhere. After its formation in 1948 Nikkeiren set about to regain its control over the means of production and labour. Integral to this process was the necessity of reasserting the right of managers to play a leading and dominant role in postwar reconstruction and, more importantly, to gain organizational hegemony on the shop floor. Nikkeiren from its formation strongly advocated a theory of exclusive management rights. This theory was first outlined in Nikkeiren's statement of purpose, "Managers: Be Fair and Strong", issued after its founding convention and developed in two other major documents, "An Opinion on Securing Management Rights" issued in May 1948 in conjunction with Nikkeiren intervention in the Toho Film dispute and the "Fundamental Plan for Revised Labour Contracts" adopted in June, 1948 by Nikkeiren. The essence of these documents was to delineate the rights and responsibilities of both workers and managers based on a fundamental theory of "management rights":

"First, the fact that management rights belong to managers (a point of clarification: what we call managerial rights may be considered a social convention and an expression of the authority and responsibility for corporate administration based on property rights) must, in contracts, be concretely demonstrated across a whole range of issues including personnel, accounting, operations, organization, systems, supervision, production methods, office regulations, safety, etc. In the event a union inappropriately crosses the line we can charge it with a violation of the contract."

Within this context of almost exclusive managerial rights the role of the union was cast mainly as a consultative one and beginning in 1948 Nikkeiren spearheaded a drive to revise labour
contracts in order to enshrine managerial rights and to downscale the role of management councils (keiretsu) in which, during the immediate postwar period, labour unions had had equal representation with managers. Many unions had attempted to make these management councils the basic administrative organs for the companies and this was opposed by Nikkeiren and its corporate sponsors: "In the immediate postwar period, managers opposed the restriction of stockholder and executive authority by management councils. However, at the same time, the idea also existed that if these councils could be used as a lieu for constructive discussions and to prevent disputes then they should be recognized." This consultative role for union representatives was also envisaged in relation to the exercise of managerial authority over specific domains such as personnel matters: "Within managerial rights control of personnel matters is central to our authority. However, because the relationship between personnel matters and unions is very delicate the basic policy should be to consult with the unions over matters such as transfers or layoffs and individuals concerned should be given a separate opportunity to raise differences of opinion."

These Nikkeiren documents reveal a basic approach to unions which may, at least tentatively, be summarized as follows: Managers in postwar Japan had no choice but to recognize the fact that unions were legal and would remain so. Given this, however, they attempted to assert what they considered their fundamental managerial rights in as many areas as possible which implied the open and direct subordination of workers and their unions to managerial discretion on the shop floor in particular. Managers
In Japan hoped to cultivate unions which accepted these premises (capitalist control and domination) and which would, in exchange for being recognized and consulted, help to execute their policies. In essence, Japanese managers hoped to co-opt unions, make them an organic extension of their authority. This tendency towards corporatism is key to understanding the close integration of some unions with managerial control apparent in some industries in Japan today. Two major blocks stood in the way of this corporatist ambition in postwar Japan. On the one hand the legal framework for labour relations in Japan was non-corporatist, that is, was established by the occupation forces which, in the early period, were guided by liberal-democratic views that recognized trade unions as independent bodies with legal rights. This was one problem. The second problem that confronted Japanese managers was the unions themselves, which in the immediate postwar period were, on the whole, quite intent on preserving their autonomy. The key to understanding the evolution of postwar labour relations in Japan and the Miike strike is the dialectic struggle between managerial corporatism and an autonomous union movement within a liberal legal framework.

Anti-communism

The first problem Nikkeiren faced after its formation in April 1948 was how to eliminate communist influence in the trade union movement. Communist views stood in direct contradiction to Nikkeiren's corporatist orientation and their growing influence was considered a pernicious influence in the trade
union movement. Initially, Nikkeiren attacked the problem on three fronts: it began to confront and challenge JCP-influenced unions such as the one at the Toho movie studios which, with the backing of SCAP tanks and airplanes, it successfully broke; it helped direct a large scale rationalization movement in 1949 (under the influence of the Dodge plan) through which thousands of militant workers were laid off including many suspected communists; and it began to cultivate moderate unions as an alternative to the radical unionism of Sanbetsu. In February 1949 the Zenkoku Rodo Kumiai Kaigi was established combining moderate Sodomei and Mindo cells (anti-CP cells within radical unions). This federation gained unofficial endorsement from both the occupation forces and Nikkeiren as an alternative to Sanbetsu. From the United States perspective, the occupation forces hoped the new union center would take up its cold war anti-Soviet positions and affiliate with the International Confederation of Free Trade Unions (ICFTU) as opposed to the pro-Soviet World Federation of Trade Unions.

During this 1948-49 period, Nikkeiren also set its mind to altering the liberal trade union framework and to finding ways to get around the issue of union rights. Maeda Hajime recounts in his memoirs how they developed a group of lawyers who not only recommended legal changes but also found ways to circumscribe certain aspects of the labour code and regulations through such devices as interim injunctions (kari shobun).

Increasing international tensions and labour struggles in early 1950 induced U.S. occupation forces to begin an open purge of known or suspected communists. Nikkeiren applied the purge in
the private sector—the result being the dismissal of 11,170 workers in 541 companies. As Maeda later recounted: "In my work at Nikkeiren, every day was a busy one during the "Red Purge"." Success in the purge led Nikkeiren to attempt to develop its anti-communism into a full blown system of labour relations through the "workshop defence movement" (shokuba boei undo). Under the pretext of protecting workshops from communist attacks, Nikkeiren promoted organizational and educational activities based on anti-communism and corporatist labour-capitalist co-operation. While SCAP and Japanese government documents downplayed the importance of this movement, in fact it played a significant role in a number of factories. At Mitsui Mining, for example, its role is characterized this way: "In the period following the "red purge" up to the 1953 enterprise adjustment our company's principal labour control policy was enterprise defence, the workshop defence movement which pushed the company forward organizationally." This movement was taken up by the far right labour movement headed by Mitamura Shiro who helped found the "Workshop Defence Movement Liaison Council" (Shokuba Boei Undo Renraku Kyogikai) with union sympathizers from Hitachi, Fuji Iron Ore, Nihon Cement and Ishikawajima Shipbuilding. Mitamura later played an important role in setting up a breakaway union during the Miike strike.

While further research is necessary, it seems that Nikkeiren's corporatist approach conflicted with the approach of the Keizai Doyukai, a more liberal oriented association of executives. This group ceded labour unions a legitimate,
independent role within the workplace and society at large. According to at least one Japanese scholar, Okamoto Hideaki, the Keizai Doyukai's approach only gained currency after 1960 when even Nikkeiren began to modify some aspects of its corporatist approach.

The 1948-1960 period is marked by Nikkeiren's attempts to impose its corporatist policies particularly, but not exclusively, at the point of production—the shop floor. In many cases this meant a concerted attempt to break unions but the process was much more complex. It involved political as well as economic dimensions and often, as I hope to demonstrate in the next chapter, it inspired large-scale resistance and subsequent growth and consolidation of an independent trade union movement—a factor which was critical in the confrontation at Miike.
Notes: Chapter Two

1. Nikkeiren Sanjunenshi, pp. 744-745. Yamamoto recounted his experiences as part of a roundtable discussion recorded for Nikkeiren's official history.


3. Ibid., p. 364.


5. Ibid., pp. 49-50.


7. Ibid., p. 21, emphasis added.


16. Basic information about the Oji paper dispute is taken from Sohyo Junenshi (pp. 659-62) and Mitsui Hyakunen (pp. 349-50).


18. For a good account of the rise of the labour movement in the immediate postwar period see Joe Moore, Japanese Workers and the Struggle for Power, (Wisconsin, University of Wisconsin Press, 1981).

19. These documents are outlined in Nikkeiren Sanjunenshi, pp. 200-208. Interestingly enough the third document was
written by Yamamoto Gengo, the Mitsui Mining executive who fought with Maeda Hajime during the Miike dispute.


22. From a "Handbook on Revising Labour Contracts" as quoted in *Nikkeiren Sanjunenshi*, p. 207, my emphasis.


24. *Nikkeiren Sanjunenshi*, p. 244.


27. Ibid., p. 113.

Chapter III: Working Class Consciousness

The managers' corporatist offensive made important inroads in the 1948-53 period but, as I hope to demonstrate, it was not universally successful. Nor did their initial success imply a reciprocal reduction in the ability of the working class to resist. In fact, the managerial offensive provoked a decided shift to the left on the part of the labour movement after 1950 with a subsequent spread in militancy which, although perhaps not reaching the 1947 levels of labour radicalism, persisted throughout the 1950s. This consolidation of the workers' movement was an essential element in the 1960 battle at Miike.

In historical terms in particular the 1946-60 period was a watershed in the early development of worker egalitarianism in Japan. Prior to the war, labour unions had not made substantial inroads among the nascent working class but after defeat a dramatic transformation occurred—workers formed unions across the country and strikes became part of the social fabric. The principal issue fought out during this period, contrary to popular perceptions, was whether workers could maintain their unions against corporatist hegemony. This was an integral aspect of their identity as workers with interests distinct and often in opposition to employers. As was illustrated in the previous chapters, Nikkeiren's corporatist orientation led to direct attempts to emasculate militant unions and although they achieved some important successes such as at Nissan, their attacks only further polarized the situation, creating the condition for an extension in class consciousness.
Miike Workers Prior to W.W. II

The early history of the Miike miners struggle against Mitsui was very much a reflection of the evolutionary formation of miners as a distinct component of the Japanese working class. Prior to the Meiji oligarchy's appropriation of the Miike mines in 1873, the mine workforce was composed of slaves belonging to the local feudal daimyo. The slaves were replaced at that time by convict labour and the use of prisoners continued even after the mines were sold to Mitsui Bussan in 1888. In fact, up until the turn of the century convict labour constituted the majority of the work force and convicts could still be found working the mines right up to 1932. The reasons for using convicts were simple: they could be paid less than non-convicts and they were more reliable than peasants from the surrounding areas who often would return to the land during harvest periods. The working conditions at the time were so harsh that it was hard to recruit the numbers of peasants required in any case.

In 1889, the year after Mitsui bought the mines, there were 2,888 miners working the seams; this increased to 5,161 in 1897; 6,875 in 1902; 10,323 in 1908; 15,645 in 1918; and dropped to 9,922 in 1930, mainly because of the economic recession. After the turn of the century Mitsui emphasized the hiring of married and uneducated farmers but continued to try to take advantage of the declasse. As the ratio of convicts began to decline it looked to outcasts (burakumin) from Yoron Island as an alternate source of cheap labour. In 1900-01 it brought over 700 of the outcasts to work loading coal on the docks and by 1909 over 1,100
were working for Mitsui. The use of outcastes was later supplemented with indentured workers from Korea beginning around 1915. Women also worked side-by-side with men in the pits and comprised about 25 percent of the workforce by 1920. Their participation later declined to under five percent by 1930.

Mitsui's labour relations at Miike in the early period did not follow the crew-boss system typical in most of the coal mines (and in much of private industry) at the time. While some recruiting through crew bosses did occur in the first years after Mitsui took over the mine, Mitsui quickly set up its own hiring section (no doubt linked to its wide-scale use of convicts). In company residences, however, Mitsui did set up a labour control system using dons or prefects (sewaqata seido) to control almost all activities on company grounds. This system was not abolished until 1954.

Mitsui's first major innovation in its labour relations policy occurred in 1920 when it took the initiative of setting up a company union, the kyoaikumiai (the union of mutual respect). Mitsui took this step in response to the labour unrest which followed the first world war and which also touched the Miike mine in 1918 when miners at the Banda shafts rioted. This incident prompted Mitsui to set up the company union in 1920. According to Dan Takuma, the managing director of the Mitsui zaibatsu at the time and former head of mining operations, the company union was "not a so-called labour union but an organ where workers could unite independently and consult with managers in a spirit of industrial harmony." As Mitsui's own Miike history concluded: "The kyoaikumiai, as it were, was a structure
similar to today's labour-management consultative committees (roshikyogikai), an adaptation of the American shop committee system." In fact it amounted to what might quite fairly be described as a pre-emptive hedge against the organization of an independent union. A continuous thread from this 1920 management innovation for "consultation" to the 1948 Nikkeiren theory of management rights with labour consultation can be seen. In the first instance, Mitsui attempted to gain control over labour-management relations by giving workers a voice through a purely consultative body (with no decision-making powers whatsoever) while at the same time opposing legalization of unions. Indeed it was none other than Dan Takuma who, as head of the Nihon Kogyo Kurabu (Japan Industrial Club), led the charge against the 1929 Home Affairs Ministry proposal to legalize trade unions. The whole thrust of the zaibatsu's approach to labour was to prevent the organization of independent trade unions which, by definition, would rupture the emerging pattern of familial corporatism. While the legal framework established by the US occupation and workers' growing class consciousness ruled out a prohibition of unions as in the 1920s and 1930s, the post-1948 attempts to cultivate unions which recognized managers ultimate authority in exchange for a consultative role for union leaders, and the attempts to break those unions which did not, is in essence an application of the 1920-30s policy to the postwar scene.

Capitalist alienation of labour in Japan, as in other countries, conspired against corporatist ideology and
organization. At Miike workers continued to organize independently and in 1924 a major strike occurred with notable implications. First, one of the major demands of the strikers was the abolition of the company union, a fact which clearly indicated that workers were beginning to recognize the necessity of independent organizations to deal with their employers—not exactly revolutionary ideology but a definite slap in the face to the corporatist ideologues. Perhaps even more important the workers formed their own struggle committee (sogidan) to represent them in negotiations with the company. A second notable feature of the strike was the fact that it began in the machine shop and gained only limited support among the underground miners, indicating that trade-union or spontaneous class consciousness was not only embryonic but was developing unevenly. The strike was resolved through mediation by the then mayor of Omuta city and although the workers failed to gain their main demands (a ten percent wage increase and an abolition of the company union) they had forced the company to negotiate. The mediated settlement called for strike leaders to "voluntarily retire", no increase in wages except for increased efficiency, and reform of the company union. However, once the settlement was agreed upon the company was obliged to give a 25 sen wage increase among other things.

According to the Miike union history, the company's labour policy after the 1924 strike was composed of three major elements: favouritism towards foremen as a means of reinforcing control over the workforce; development of company facilities (i.e. dining and assembly halls); and reinforcement of the
sewaqata seido in company residences. The provision of company facilities is often cited as an example of corporate benevolence, but such benevolence was always a double-edged sword. The company strictly controlled the use of such facilities and used them in many cases to reinforce worker dependence on the company, to augment company control and to reinforce corporatist indoctrination. For example, workers could not leave the company dormitories without a travel permit issued by one of the sewaqata; reading Chuo Koron on company premises was forbidden; and the meeting halls were used for often obligatory sessions of 'spiritual' education. The Miike mines and Omuta city were under such strict company control that even the Yuaikai's Suzuki Bunji gave up in his attempt to organize a meeting there in December 1918 because he was unable to find a meeting place. The combination of repression, tight labour control, and the economic recession at the end of the 1920s conspired to prevent any further attempts at union organizing in the prewar era. With the onset of war, the kyoaikumai was absorbed into the DaiNippon Sangyo Hokokukai (the national labour syndicate--Sanpo for short) and labour was controlled along military lines.

The Postwar Period

The major effect of the war and subsequent defeat was an almost complete reformation of the workforce with major changes in its composition. With the 1930s' depression the Miike workforce had declined to just over 5,000 workers in 1932 from a previous high of over 18,000 in 1919. However with the military buildup in the late '30s, the workforce increased once again and
by the end of the war nearly 24,000 miners were working the Miike coal shafts. The most notable change in composition during the war was the increasing use of prisoners of war and Korean forced labourers. In Mitsui's coal mining operations alone over 22,000 (over 30 percent) of the 71,000 miners were either Chinese or Caucasian prisoners of war or Korean indentured labourers. At Miike, about 25 percent of the workforce or over 6,000 miners were prisoners-of-war.

For them defeat implied liberty but while Caucasian prisoners-of-war were quickly repatriated the Koreans and Chinese literally had to fight their way out of the mines. At Miike for example, all Caucasian prisoners-of-war were repatriated by Sept. 19, 1945 but Chinese and Korean workers were not released until November 22 and only then after they had rioted and resorted to force. A week after Caucasian miners at Miike had been released, SCAP, instead of taking immediate measures to repatriate the Chinese and Koreans, authorized the Japanese authorities to fire on the foreign workers if necessary to preserve order. In many cases SCAP's policy was to get the non-Caucasians to dig coal for the occupation forces.

But prisoners of war were not the only ones wanting to escape the wartime horrors of coal mining. As the war had progressed, working conditions in the mines, difficult at best of times, had degenerated. Mine repairs and infrastructure were abandoned and replaceable raw labour power became the expendable motor force to bring out the coal. Fatal accidents alone jumped from a prewar average of about 700 miners each year to 1,868 in
Thus defeat in war led to mass migration from the mines and at Miike alone the work force dropped from a high of 23,700 in July 1945 to 10,522 in October, a short three months later. Of the 13,000 who abandoned Miike, about 6,000 of these were prisoners-of-war, the remaining 7,000 or so being Japanese workers. The shift in labour composition was further exacerbated by postwar production policies which attached high priority to rejuvenating the coal mining industry. Thus workers were directed towards the mines but in the immediate postwar years the turnover rate was exceedingly high. At Miike for example, in 1946 alone over 12,000 new workers were hired but in the same period nearly 8,000 quit or were discharged leaving a net increase in the work force of only 4,000 in 1946. Despite the turnover, employment at Miike continued to increase reaching a postwar peak of 28,960 by December 1948. According to Mitsui statistics, by 1952 the workforce had again been reduced to 18,708 workers of which less than one-third had worked at Miike prior to the war. Only 1,000 had worked at Miike prior to 1932 so the number who had been present at the 1924 strike was quite small.

Table 2 gives some indication of the postwar trends in mine force composition and particular features of Miike miners. Education levels had risen substantially with close to 15 percent of 1948 employees having completed middle school compared to about 1.5 percent of the 1940 workforce. Moreover, this was much higher than in most of the other mines in the Kyushu area and may well have reflected the importance Miike was accorded in the
TABLE 2: PREVIOUS EMPLOYMENT PATTERNS

<table>
<thead>
<tr>
<th>Previous Occupation</th>
<th>National Average</th>
<th>Miike</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1947</td>
<td>1947 1956</td>
</tr>
<tr>
<td>Primary industry</td>
<td>17.5</td>
<td>28.3 23.0</td>
</tr>
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<td>Manufacturing</td>
<td>11.0</td>
<td>14.1 16.8</td>
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<td>Mining</td>
<td>32.4</td>
<td>9.5 9.4</td>
</tr>
<tr>
<td>Construction</td>
<td>4.7</td>
<td>9.6 5.5</td>
</tr>
<tr>
<td>School Graduates</td>
<td>4.5</td>
<td>9.9 11.2</td>
</tr>
<tr>
<td>Unemployed</td>
<td>9.0</td>
<td>13.0 8.5</td>
</tr>
<tr>
<td>Other</td>
<td>20.9</td>
<td>15.6 25.6</td>
</tr>
</tbody>
</table>

SOURCE: Sakisaka Itsuro, Miike Nikki, (Tokyo, Shiseido, 1962), p. 53

postwar reconstruction policies (thus the willingness to assign highly educated workers to the mines after the war). Finally, 92.6 percent of the Miike miners in 1952 were from the island of Kyushu. Thus the portrait emerging was one of a worker cohort with a core of about 4-5000 with prewar mining experience but with low education and many with a peasant background. Around this core came the bulk of the workers, many better educated and few with previous mining experience but a growing number with other industrial experience, in other words fewer fresh off the farm.

Unionization

With defeat Japan faced chaos. In the coal mines first the Chinese and Korean workers rose, organizing unions and often rioting to demand repatriation and also food and basic living necessities. They were followed by Japanese workers who also began to organize, sometimes on their own, sometimes with company exhortation, at times under prewar Sodomei leadership, and in some cases under the guidance of the legalized Japan Communist
Party. Whatever the case unions, not company associations, became the order of the day and by April 1947, 92.8 percent (372,365) of all regular coalminers were organized in independent trade unions.

Mitsui managers at Miike, very much on the defensive due to the breakdown in authority (a fact readily demonstrated by the Chinese miners at Miike who had rioted in October, 1945, openly defying managerial control) tried to seize the initiative in union formation by ordering new elections to the wartime Sanpo locals within the Miike unit. These elections were held but at the same time the workers used the opportunity to actually declare their independence by formally declaring the newly elected Sanpo officers heads of unions for the various collieries, the port, and machine shop. The miners at the Mikawa colliery took the initiative due, according to company documents, to the presence of an ex-Sodomei official from Osaka. On Jan. 3, 1946 the Mikawa miners petitioned the company for a 30 percent increase in wages, a minimum wage, and the 8 hour day, demanding a reply by Jan. 10. The company assembled the representatives to Sanpo (now the leaders of unions) on January 9 to discuss the demands after which the union representatives decided to move towards forming a single union for the whole Miike complex. The first step in this process was re-creating a new preparatory committee with two delegates from each colliery. With preparations complete a founding meeting was held in Omuta with 16,000 people participating, including management. Management participation in the founding of the union and the official union demands reflected the fact that a complete break with company
Ideology had not occurred. The seven demands included: immediate participation in management; abolition of taxes on salaries; large increases in severance pay; adequate money and material to live on: the dismissal of foremen who thwarted production; abolition of discrimination between supervisors and workers; payment of a bonus to any current employees asked to resign; and an end to the black market. Not only did the Mitsui managers participate in the founding convention but they gave each union member 10 yen as beer money.

Confusion reigned in this early period but Sodomei influence in the Mikawa colliery encouraged confrontation with the company and independence. Demands may not have been entirely clear but a large percentage of workers struck in early March and not soon after, contact was made with miners at other Mitsui mines in Kyushu (Tagawa and Yamano) who supported the Miike miners with a half-day strike of their own. The company finally gave in on a number of demands on March 12. For nearly two years after this the Miike miners refrained from overt struggle with the company and came under intense pressure to produce coal at all cost as part of the government and occupation's priority production plan in which coal production played a central role. In return Miike miners in particular received proportionately better food and supplies, a reflection of the key role that Miike played as Japan's biggest coal producer.

What did occur in 1946-47 was an organizational shake-out at the upper levels of the multiple coalminers' federations culminating in the formation of Tanro on July 26, 1947. The
Miike union was an active player in the process.

Contacts between miners at Mitsui's Kyushu mines (Yamano and Tagawa) established during the March 1946 strike eventually led to the creation of a Kyushu regional federation of Mitsui miners, the Western Japan Federation of Mitsui Coal Mine Unions (Nishi Nihon Mitsui Tanko Rodo Kumiai Rengokai) on May 19. The local unions at Tagawa and Yamano had affiliated to a different federation but decided to leave it to form the Mitsui federation due, according to company claims, to political differences with the first group. Be that as it may, the miners in Mitsui's Kyushu coalmines did not stop at the level of enterprise but immediately went on to develop links with other miners' unions in the area. They helped form a regional federation, the Kyushu Federation of Neutral Coalminers Unions on October 4 which, in turn, led to the creation of a regional coalminers union federation for Fukuoka prefecture which embraced all political tendencies. This organization, The Fukuoka Prefectural Council of Coalminers Unions (Fukuokaken Tanko Rodo Kumiai Kyogikai or Fukurokyo for short) played an instrumental role in creating a national mineworkers federation, The National Council of Coalminers Unions (Tanko Rodo Kumiai Zenkoku Kyogikai or Tanzenkyo for short) on January 25, 1947. This council was a loose federation on the one hand (with 340,000 members in affiliated unions) but was officially recognized by the coal operators employers' association (Nihon Sekitan Kogyo Renmei) and negotiations between the two national parties took place beginning Feb. 1, 1947 with the main issue being the union's demand for a minimum wage based on the cost-of-living.
The evolution of mineworkers' unions described above is crucial because it indicates that the third pillar of the Japanese labour relations system, so-called "enterprise unions" are not necessarily the antithesis to "industrial unions" as they are often portrayed. The coalminers union example indicates that the two are mutually dependent, the industrial federation being based on the existence of enterprise units or locals. The fact that the Mitsui employees decided to organize a regionally-based enterprise unit for Kyushu does not contraindicate "industrial unionism" whatsoever and could reasonably be considered a normal progression of worker solidarity particularly considering these miners went on to develop further organizational links with miners in other companies.

That tensions existed between the various structures there is little doubt but these were not primarily organizational tensions but rather political stresses based on differing views of the role and direction of trade unions. Indeed, these tensions within Tanzenkyo, in the form of infighting between the "neutralist tendency" and the "far left tendency", eventually led to its dissolution less than a year after its inauguration. This led to the formation of Tanro (Nihon Tanko Rodo Kumiai Rengokai) in October 1947. Later a right-leaning fraction split in 1949 taking on its final form in 1954 as Zentanko (Zen Sekitan Kogyo Rodo Kumiai). These two federations continued throughout the 1950s with the Miike union affiliated to the much larger Tanro.

An Independent Identity

The growth in enterprise and regional federations created
the pre-conditions for a protracted struggle with employers and it was through this process that workers began to forge an independent working class identity and consciousness. All union federations, including those in which communists had control, participated in industrial revival associations (Keizai Fukkokai) which included representatives from management and whose purpose was to plan the resuscitation of the postwar economy. This collaboration did not extend to improving working conditions, however, and as the "production first" policies evolved so too did speedups which the coal operators then turned to their advantage. For example as production levels increased they were incorporated as part of a standard output level upon which wages were fixed. Wage increases gained in early 1947 were eaten up by rampant inflation, but employers began taking a harder line in wage negotiations. Safety conditions were again subordinated to production and accidents continued. Dissatisfaction grew among rank-and-file coalminers and criticisms of the unions surfaced for not being in touch with the situation at the mine sites. At Miike, this led to the emergence of a rank-and-file movement to take control of the union and in August 1948 a special convention attended by 1,300 delegates adopted a new constitution giving the general assembly the three powers of decision, implementation and supervision. It was also during this period that politicization began. In October 1947 the Fukuoka Labour School was created which became a center for labour political discourse. Professor Sakisaka Itsuro, a left-wing socialist, also came on the scene in this period. Miyakawa Mutsuo, a founding member of the Miike
local union and its president during the 1960 conflict recalls: "But a sleeping pig does not sleep forever. I remember meeting Professor Sakisaka around 1948 in an Omuta inn and being asked to join the socialist party. Hearing him talk about how labour leaders needed ideology, how it would be impossible to take on Mitsui without making the Socialist Party a force in Omuta, I decided to become a member of the Japan Socialist Party". The politicization process remained embryonic at this stage, however, as illustrated by the Miike local's mild counsel to its members not to vote for conservative parties in the 1949 general election.

The emerging labour-capital confrontation, miners' criticisms of the union, their aspiration to democratically control it, and a growing socialist politicization were trends which both reflected and further facilitated the growth of class and trade union consciousness at Miike in the 1949-53 period. The process culminated in a spectacular union victory in a 1953 showdown over layoffs.

Mitsui Coal Corporation followed Nikkeiren labour relations policy to a "T" during this period. In March 1949 it demanded that the basic collective agreement be re-negotiated in order to downgrade the role of the "management councils". In June Mitsui attempted to lay off less productive miners. In the summer of 1950 Mitsui fired hundreds of miners as their contribution to the "Red Purge". In 1950 Mitsui laid off thousands of miners as part of the Dodge-inspired retrenchment program. In 1951, Mitsui and other major coal companies took a hard line in wage negotiations and later than year Mitsui began its "workshop
defence movement" in line with Nikkeiren policy. The weakness in class consciousness at the higher levels of the unions enabled Mitsui to gain union acceptance of these policies but this only created further fertile terrain for radical trade-unionism at the rank-and-file level.

In March 1949, the All Mitsui Coalminers Union Federation (Zen Mitsui Tanko Rodo Kumiai Rengokai or Sankoren for short and the form used hereafter) was founded through the amalgamation of the two Kyushu and Hokkaido regional federation of Mitsui mineworkers (see Figure 3 for union structures). While Sankoren officials negotiated with Mitsui over layoffs, the Red Purge, and a new revised collective agreement, rank-and-file workers at the local union level were organizing to mitigate the effects of the employers offensive. For example, after Sankoren negotiated a layoff agreement in July 1949 calling for 1266 layoffs at Miike, union leaders at the local level reduced this number to 336 in local negotiations with the company. Coal operators broke off central negotiations with Tanro in 1950 and local unions and federations were forced to fend for themselves in bargaining. At Miike, workers resolved to strike over year-end bonuses that year and Mitsui responded increasing its 1500 yen offer to 3800. In 1951 Miike miners joined in an 11-day strike in March over wages and broke through the wage freeze that had been imposed since 1949.

Labour-management relations in general came under severe strain beginning in 1951 as the anti-communist purge increasingly turned into an open anti-union crusade. Employers not only
attacked militant unions but lobbied strongly for government revision of trade union laws and for strengthening the repressive capacities of the state through passage of the Subversive Activity Prevention Law. Thus miners at Miike became directly involved not only in struggles with Mitsui but also with the government and this experience increasingly gave them a sense of self-identity as workers. This consciousness created fine terrain for socialist politics and militant trade unionism and by late 1951 the Sakisaka socialist influence was gaining ground. The most notable and, over the long term, influential policy adopted at this time was the decision to create residential and workshop sections (bunkai) which would serve as the union's organizational basis among rank-and-file workers. These sections gave the unions a solid organizational footing in the workshops and residential areas and created an alternative pole of reference for the miners. Corporate hegemony faced a new challenge.

Another source of challenge that emerged in 1951 was the organization of an association of miners wives sympathetic to the union. This group of women soon came into conflict with the company, particularly after the 1952 strike, and a running battle between them and the company-sponsored "family association" developed. This conflict escalated into a larger issue of control over company residences when the company attempted to stop the pro-union women from using company houses as meeting places.

The year 1952 was a watershed for Japanese coal miners and for the working class as a whole as a powerful strike movement
developed that spring particularly in opposition to the government's persistent attempts to amend labour laws. That spring Tanro and well over one million other workers struck against the Subversive Activities Prevention Law. Although the law was eventually passed in May the effect was to further polarize the situation, particularly after Nikkeiren and the coal operators association attempted to sue the unions for losses due to political strikes.

In its two national conventions in 1952 (May and July) Tanro decided to demand a standard wage rate based on an eight-hour day and centralized negotiations with 17 major coal companies. Interestingly, the coal operators association decided to go along with the latter demand at this time due, according to Tanro, to their fear of division: "It is believed that this attitude on the part of Renmei was due to its fear that, with separate negotiations, the weaker companies might fall prey to Tanro's pressure tactics." The coal operators refused to give up their production-based wage formula (in effect a piece rate standard) and negotiations broke down in the beginning of October. Tanro then began an unlimited general strike lasting 63 days and involving over 282,000 miners. Impending government legislation to break the strike ended the confrontation in mid-December. The biggest strike in Japan's history (over 10 million worker days lost) failed to break the production-based wage formula but, on the other hand, it had shown that workers were able to identify their interests as being in opposition to those of the companies, and they had been able to stand united on a cross-country scale
the likes of which Japan had never seen before.

While the strike settlement was a setback the strike itself had been a breakthrough for the union movement. At Miike this was reflected in the subsequent election of Miyakawa, an ally of Sakisaka and a representative of the militant faction, as president of the Miike local. The 1952 strike and the subsequent election of the Miyakawa faction represented a fundamental breakthrough in the evolution of working class consciousness. For the first time, a definitive rift had been made in the wall of corporatist hegemony at Miike. Worker egalitarianism was established as an organized force. Not all Miike workers agreed with the new orientation and it was not the dominant ideology within the working class as a whole—but it was established and was consolidating as it never had prior to 1945.

The Miike miners faced a new challenge in 1953—a Mitsui Mining proposal to lay off 5,738 workers including 1722 at Miike. On August 7 Mitsui announced the layoffs, calling for volunteer retirees (kibo taishokusha) to step forward between August 10-22. If the target number was not reached the company would issue retirement notices to those who fit "retirement standards" set by Mitsui and those who did not comply would be dismissed on August 28. Large scale layoffs had already been announced at other mines and coming only half a year after the 1952 strike, many miners went along with the layoffs, Tanro's opposition notwithstanding. Such was not the case at Miike, however. The day official announcement of the layoffs was made, Miike miners began a 48-hour sit-in. Huge demonstrations in front of company offices followed and on August 9, 25,000 miners
of worker wrath, the 1948-60 period represented the consolidation of worker egalitarianism as an ideological and political trend within the working class. It developed unequally and was not the only tendency but it played a crucial role in the development of postwar Japanese labour relations.

"The Chicken Becomes a Duck"

The process of radicalization which occurred at Mlike represented the outer limits of class polarization which was part and parcel of the social climate in Japan in the 1950s. This polarization was reflected in the radicalization of the biggest trade union center, Sohyo, and growing support for the left-wing Socialist Party.

The creation of Sohyo in 1950 was the culmination of SCAP and Nikkeiren's anti-communist campaign against the communist-led union federation, Sanbetsu (Zen Nihon Sanqyo Betsu Rodo Kumiai Kaiqi or Japan National Conference of Industrial Trade Unions). Sohyo was formed from the amalgamation of Sodomei unions (the prewar trade union central), anti-communist factions in unions affiliated with Sanbetsu (the so-called Mindo cells) and other non-aligned unions. Sohyo was inspired and supported by SCAP in the early stages as a conservative, pro-U.S. pole of reference for the union movement and SCAP even paid for certain union representatives prominent in the Sohyo movement to travel to London in early 1950 to participate in the founding of the anti-communist International Confederation of Free Trade Unions.

Yet a short ten years later, Sohyo led a powerful anti-U.S. movement to oppose the renewal of the U.S.-Japan security treaty and directly intervened in the struggle at Mlike. As indicated
in Chapter I, Sohyo intervention in April was the determining factor in the ability of the Miike miners to continue their fight. Sohyo-affiliated unions provided millions of dollars of financial support to the Miike miners and sent thousands of their members to stay in Miike and bolster the miners picket lines. These union members, along with the Miike miners, openly defied injunctions, goon squads, and Nikkeiren and literally risked their lives to defend the Miike union. Confronted with Sohyo's militancy, commentators lamented at the time that the SCAP-inspired "chicken had become a duck" (niwatori ga ahiru ni natta). How had this happened?

In fact many of the founding leaders of Sohyo-affiliated unions were left social democrats who, while acquiescing in the anti-communist campaign, adhered to Marxist views, advocated socialist revolution, wanted a non-aligned Japan and were staunchly opposed to any corporatisation (goyoka) of the union movement. This left faction became dominant as it became more and more evident that U.S. occupation policy was to make Japan a U.S. anti-communist outpost in the Far East and that it strongly backed a rejuvenated and powerful capitalist class as its naturally in this process.

The ascendency of militant social democracy was stimulated by vigorous working class resistance to capitalist rationalization and an on-going anti-union offensive which was an integral part of the Japanese bourgeoisie's attempt to regain control in all spheres of national life. While it was certainly true that Nikkeiren had succeeded in breaking certain unions
(such as the auto unions) and had gained the support of right-wing unions for its corporate program (these right-wing unions formed the core of a splinter federation, Zenro Kaigi, created in 1954 and which later became Domei Kaigi in 1964), these still represented a minority of unionized workers. Many workers in both the private and public sectors continued to resist exploitation and class struggle actually became more generalized, as indicated by a steady increase between 1946-1965 in the number of labour disputes and the number of workers involved. Maeda Hajime recalled how, just when managers thought they had things under control, disputes in new sectors broke out: "Around 1955 labour battles had changed quite a bit. In places where you wouldn't think struggles would occur, such as in banks, investment dealers, hospitals, and schools, struggles began to break out." At the same time the Sohyo-sponsored spring wage strikes (Shunto) began, public sector workers continued to fight for the right to collective bargaining and the right to strike, teachers fought against an efficiency rating system, and many industrial workers continued to defend their unions against management encroachment as during the Oji Paper Mill strike in 1958. These struggles were not isolated events but often involved support activities by Sohyo, regional labour councils and the like. This polarization and growing class solidarity was the basis for the support shown the Milke strikers. It also formed the basis of growing support for the Socialist Party throughout the decade. All this does not deny that corporatism also made inroads and, in a certain sense, was eating away at the roots of militant trade unionism, particularly in the key
industrial sectors. But as Miike demonstrated, managers were unable to corporatize the whole working class. If this portrayal of labour relations in the 1950s is accurate, as I believe it is, then the idea of the "three pillars" system of labour relations being established prior to 1955 must be reconsidered. I would postulate that the whole postwar period up to 1960 at least was one of re-alignment in labour relations. Despite attempts to re-impose corporatist hegemony, a new force had to be accommodated. That force was worker egalitarianism and included a new worker consciousness, the formation and consolidation of independent unions, and growing political support for radical social democracy which the Socialist Party typified during this period. This worker egalitarianism had its own Japanese flavour but was not atypical of the evolution of class consciousness in other countries. As we saw in the case of union structures, the nascent workers' movement developed enterprise, regional and industrial links with other workers which, despite variations, is similar, in my opinion, to the unionization process in many countries. In that sense this new force was certainly a convergent factor. The consolidation of unions was facilitated by the legal superstructure. Despite retrogressive reforms, the legal system promoted liberalism and it was as a constituent part of a liberal social fabric that the independent union movement appealed for support during the Miike strike. As Sohyo leader Iwai Akira stated during the Miike strike: "We believe to fire these people would be a denial of their human rights." The Ikeda government's intervention in the Miike dispute in July
reflected its own ambivalent position. On the one hand, through its instructions to the mediators it validated the attack against a militant union. On the other hand, in refusing to send in the troops to enforce Mitsui's injunction and bludgeon the picketers (as Mitsui and Nikkeiren were hoping) it sent a signal to employers that society had accepted unions as independent organs with certain rights and that it, as a government, was not willing to openly crush the union movement and thereby risk its political mandate as the Kishi regime had previously done by ramming through the security treaty. To that extent the Miike struggle, while an immediate defeat for the miners, may constitute an important landmark in the fight against corporatist hegemony.
Footnotes: Chapter Three

1. Shiryo: Miike Soqi, p. 6
2. Miike 20-Nenshi, p. 11
3. Ibid., p. 13
4. Ibid., p. 26
5. Shiryo: Mitsui Soqi, p. 3
6. From Danshaku Dan Takuma Den (Memoirs of Dan Takuma) as cited in Miike 20-Nenshi, p.23
7. Shiryo: Miike Soqi, p. 7
8. For further details on the 1931 dispute over the Labour Union Law see Nikkeiren Sanjunenshi, (p. 4-6) and Maeda Hajime's recollections in "Tosho Ichidai-Kami" in Bessatsu Chuo Koron, Keiei Mondai, Volume 8, No. 2 (p. 294-296)
10. Ibid., p. 13
11. Miike 20-Nenshi, p. 27
12. Shiryo: Miike Soqi, p. 10
13. For a description of events and exact statistics see Shiryo: Miike Soqi, p. 16.
14. For further details on occupation policy and the struggle of Koreans and Chinese to be patriated see Joe Moore, p.
16. Shiryo: Miike Soqi, p. 17
17. Ibid., p. 18
18. Shiryo: Miike Soqi, p. 22
20. Information on convention and demands from Shiryo: Miike Soqi, p. 29.
22. Throughout this period centralized negotiations, on the issue
of wages for example, assumed different forms. For further details see the chart in Tanro Junenshi, p. 965.

23. From Miyakawa's introduction to Miike 20-Nenshi, p. 2

24. Miike 20-Nenshi, p. 63

25. Shiryo: Miike Sogi, pp. 125-129

26. Miike 20-Nenshi, p. 85

27. Sohyo Junenshi, p. 156

28. For an analysis of this trend see Okochi et al, eds. Workers and Employers in Japan (Tokyo, University of Tokyo Press, 1973), pp. 309-326. While the duration of strikes decreased in this period the number increased and slowdowns became more widespread.

29. "Nikkeiren ni Ikita Nijunen", p. 363

Chapter IV: Strikes, Wages and Industrial Policy

In the previous chapters I believe I have demonstrated that the employer's attack on the Miike miners and their union was largely politically motivated—the Miike miners presented an organized and articulate challenge to corporatist control and, as such, set what Maeda Hajime, Sato Kiichiro and Nikkeiren considered an extremely poor example of labour relations. The attack against the militant union and the resultant nation-wide attention acted as a powerful catalyst for a direct confrontation between labour and capital over the issue of labour control, a confrontation that had been brewing over the past decade as unions fought for their right to exist independent of capitalist control.

Having said this, however, the role of economic factors should not be underestimated. Mitsui and Nikkeiren criticisms of the miners at Miike surfaced during the 1957-58 recession after Mitsui Coal posted major losses. They intensified through 1959 as coal operators continued recording losses even though the recession ended in late 1958 and coal production was again on the upswing. And, finally, Mitsui/Nikkeiren resolve to conduct an uncompromising assault to rid Mitsui Coal of militant trade unionism hardened in late 1959 as it became increasingly apparent that the coal industry was facing a fundamental structural crisis due to the "energy revolution".

But economic factors were more than exogenous pretexts for union-bashing. Mitsui Coal attributed its economic woes at the time directly to the Miike miners and their union—"high wages
and low productivity" were the problem. And just as the Miike miners were the culprits at Mitsui, coal miners and Tanro have also been assigned the blame for the sudden and sharp decline of the whole coal industry. Such portrayals are common in both popular and scholarly works which treat postwar Japanese economic history and particularly energy issues. For example, Chalmers Johnson, one of the better known Western scholars on Japanese industrial policy, deals with the issue of coal policy and labour relations to some extent in his book Japan's Public Policy Companies (Washington, American Enterprise Institute for Public Policy Research, 1978). Johnson concluded that Japanese coal was unable to compete with imported oil because coalminers' strikes had led to high prices and unreliable supplies of coal: "Most authorities date the onset of the post-independence coal crisis from the long Tanro (Japan Coal Miners'Union) strike that began in October 1952. Under free market conditions the supply of coal had become unreliable, and strikes were causing prices to shoot up." Similar views are expressed in well known Japanese history texts as well. Johnson also claims that MITI's policies in the 1950s helped to stave off the demise of coal but the "problem was that domestically mined coal cost so much more than imported petroleum." I believe that such accounts are truly "history through the eyes of the victors" and that close examination of the historical record reveals that Japan's coalminers, including the Miike miners, had little to do with the reasons for the reversal in energy policy. In fact they became the real casualties of the "energy revolution" yet, in a Hegelian twist of fate, the miners stand accused of having caused the
demise of coal.

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In this chapter I examine the relationship between labour relations in the coal industry and the evolution of Japanese energy policy which went through a number of phases up to 1959: From 1950 to 1953 coal was the chief energy source but oil was increasingly favoured; this embryonic policy was reversed in 1954 and from then until 1959 domestic coal was heavily favoured with oil imports restricted; finally, in December 1959 this policy was again reversed with imported oil becoming the major energy resource.

Oil Versus Coal, Round One: 1950-1954

To explain the process of industry's switch from coal to oil it is necessary to keep in mind that this process occurred between 1951 and 1972, a period of twenty years. At this point the question which must be answered is when and why did the process begin. As mentioned above, contemporary accounts tend to use the 1952 strike in coal as the benchmark. In actual fact, however, pressure to switch to oil began as early as 1949 with the end of marketing controls. At that time the steel industry in particular, which had been cut off from its subsidized coal supplies, began to decry what it asserted was the unreasonable cost of coal. This gave rise to what is referred to in Japanese as the "high coal cost problem" (Kotanka Mondai). This issue was temporarily left unresolved, however, as the onset of the Korean War in June 1950 sparked an economic revival for Japanese
industry which had gone into the doldrums under the restrictive fiscal and monetary policies of the Dodge plan. Fueled by U.S. special procurements, which totalled about $3.5 billion (US), the wheels of industry began to pick up speed and the demand for fuel increased dramatically.

By the end of 1951, 168 new or revived mines were operating compared to 1949 and production reached 46.5 million tons for 1951, an increase of nearly 20 percent over the previous year.

**TABLE 3: BASIC COAL INDUSTRY STATISTICS, 1949-1954**

<table>
<thead>
<tr>
<th></th>
<th>Mines</th>
<th>Production (million tons)</th>
<th>Workers ('000s)</th>
<th>Productivity (tons/worker/month)</th>
</tr>
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<tbody>
<tr>
<td>1949</td>
<td>685</td>
<td>37.2</td>
<td>379</td>
<td>8.3</td>
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<tr>
<td>1950</td>
<td>731</td>
<td>39.3</td>
<td>347</td>
<td>9.1</td>
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<td>1951</td>
<td>853</td>
<td>46.5</td>
<td>369</td>
<td>11.0</td>
</tr>
<tr>
<td>1952</td>
<td>844</td>
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<td>10.0</td>
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<tr>
<td>1953</td>
<td>808</td>
<td>43.5</td>
<td>312</td>
<td>11.0</td>
</tr>
<tr>
<td>1954</td>
<td>668</td>
<td>42.9</td>
<td>277</td>
<td>12.5</td>
</tr>
</tbody>
</table>


Even then supplies could not cover the demand. In November 1951, Keidanren intervened with SCAP to allow authorization of increased importation of coal and crude oil (to be converted to heavy oil for use as a coal substitute) and foreign exchange allocations were increased for the beginning of 1952. Thus for the first time since the war heavy oil began to be promoted as an alternative to domestic coal because of rapid economic growth during the Korean war and the inability of coal to keep pace with the growing demand despite substantial production increases. In this context the claim that the conversion to oil began principally after the 1952 coal strike appears arbitrary to say
the least, particularly in light of subsequent events.

Pressure on the coal industry continued to mount during 1952-1953. As mentioned earlier, oil began to be imported in substantial quantities in early 1952. In June 1952 all import controls on oil were lifted and in January 1953, foreign currency allocations for April-June supplies of oil were advanced. In early 1953, then prime minister Yoshida instructed his MITI minister to ensure coal prices were lowered and the then governor of the Bank of Japan, Ichimada Naoto, also expressed his desire to see coal prices regulated. In January the MITI minister announced that: "The government intends to support the conversion to oil as a means to lower the cost of coal and intends to increase foreign currency allocations for heavy oil imports."

The increase in oil imports and the conversion to heavy oil as an energy source continued in 1953. Even more serious in the short term, however, was the economic slowdown which occurred in 1953 and 1954 with the end of the Korean War boom. The so-called "instability of coal supplies" which has been cited as a factor in increasing oil imports had turned into a coal glut. The crisis of overproduction reached such serious proportions that the Japan Coal Association and the Coal Industry Federation (representing the medium and small producers) resorted to production quotas in November 1954. Production was to be limited to a maximum of 41 million tons in 1955 with each company allotted a production share equivalent to its market position prior to the controls. The coal operators resorted to large-scale layoffs in response to the crisis. This sparked major disputes with the coalminers' unions the most notable of which was the 1953 Mitsui
Mlike struggle which culminated in the company rescinding a proposal for designated layoffs. The 1953-54 recession turned into a cloud with a silver lining however. The crisis in the economy provoked the bureaucracy and the government to reflect on their economic strategy for the future, and the deliberations ended with a major policy reversal and the restriction of oil imports, a point to which I shall return later.

Wages, Prices and Profits

While coal consumer complaints of excessive coal prices had surfaced in 1949, the shortage of coal during 1950 and 1951 temporarily silenced the critics who needed coal at any price during this period. And what a price they would pay.

Metallurgical coal used by the steel industry, for example, saw price increases of 50 percent between 1950 and the beginning of 1952. It rose from a low of about 5000 yen per ton to 7,450 yen per ton in the first quarter of 1952. While price increases for thermal coal were not quite as dramatic they were also substantial.

Keidanren first involved itself in the dispute between coal consumers and producers and as early as March 1950 held consultations with the concerned parties. At that time it clearly took the side of the steel industry. The high price of coal relative to oil, combined with the knowledge that Western Europe was increasingly turning to oil as an energy source, pushed Keidanren to lobby for oil conversion. In summarizing its own role at the time Keidanren states:

"The conversion to oil proceeded from 1952
on and thereafter establishing a general
energy policy repeatedly became a problem
because of the conflict between oil and coal. Our federation was in the forefront as the
situation progressed. With the proposal
mentioned above, we hoped for progress in the
conversion to oil and at the same time
prepared for the future by establishing a
bureau to elaborate a general policy for all
fuels including coal, oil, gas, etc.7

From this information it is quite clear that conversion to
oil had little to do with the 1952 strike but began due to
pressure from Keidanren. Keidanren's motivation was to bring in
cheap oil to compete with coal and thereby bring down coal
prices. Why the price of domestic coal was high relative to oil
was a key question and it was vigorously debated. Keidanren did
a thorough investigation of the issue and concluded that neither
high wages nor strikes were the main cause but that a low level
of capital investment for infrastructure, mechanization and new
shafts was the principal problem. There are good reasons why
Keidanren did not try to point the finger at labour at the time.
According to statistics from the Prime Minister's Natural
Resource Survey Council, the labour component in the cost of coal
steadily declined from 1947 on. At that time labour costs
comprised 61.5 percent of the cost of coal declining in 1948 to
54.5 percent; in 1949 to 52 percent; in 1950 to 52.1 percent; in
1951 it dropped to 47.1 percent. Further evidence also strongly
suggests that coal miners' wages were in decline relative to other
workers during this same period. Table 4 presents comparative
wage statistics for the 1925-57 period. According to this
information coal miners wages were declining in the early 1950s
not only as a component part of the cost of coal but also
TABLE 4: WAGE COMPARISON BY INDUSTRY

<table>
<thead>
<tr>
<th>Year</th>
<th>Coal</th>
<th>Textiles</th>
<th>Chemicals</th>
<th>Ceramics</th>
<th>Primary Metals</th>
<th>Trans Eqpt</th>
<th>Gas &amp; Elect</th>
</tr>
</thead>
<tbody>
<tr>
<td>1925</td>
<td>71.0</td>
<td>46.2</td>
<td>70.8</td>
<td>89.6</td>
<td>115.0</td>
<td>100</td>
<td></td>
</tr>
<tr>
<td>1930</td>
<td>69.7</td>
<td>43.2</td>
<td>77.2</td>
<td>83.9</td>
<td>106.5</td>
<td>100</td>
<td></td>
</tr>
<tr>
<td>1940</td>
<td>102.0</td>
<td>36.2</td>
<td>78.5</td>
<td>83.6</td>
<td>99.9</td>
<td>100</td>
<td></td>
</tr>
<tr>
<td>1947</td>
<td>106.4</td>
<td>44.7</td>
<td>83.7</td>
<td>77.0</td>
<td>83.4</td>
<td>100</td>
<td></td>
</tr>
<tr>
<td>1949</td>
<td>79.4</td>
<td>43.3</td>
<td>82.2</td>
<td>72.8</td>
<td>77.0</td>
<td>100</td>
<td></td>
</tr>
<tr>
<td>1955</td>
<td>67.5</td>
<td>38.4</td>
<td>75.6</td>
<td>63.9</td>
<td>84.0</td>
<td>78.2</td>
<td>100</td>
</tr>
<tr>
<td>1957</td>
<td>78.3</td>
<td>37.9</td>
<td>74.0</td>
<td>61.7</td>
<td>88.8</td>
<td>83.9</td>
<td>100</td>
</tr>
</tbody>
</table>


relative to other workers. From being the highest paid workers in 1947 they dropped to the middle range of wage-earners by 1955. This would indicate that it would be difficult to blame labour for high coal prices. But the issue remains: If wages and strikes were not the problem what had caused the sharp increase in prices between 1950 and 1952 when prices went up nearly 40 percent? Part of the answer is in the tremendous profits the coal companies made between 1950-1952.

Favourable market conditions permitted the coal companies to raise prices and reap substantial profits during the 1950-1952 boom, despite assertions by Chalmers Johnson that: "Still, by 1955 none of the coal companies was able to show a profit".

Table 5 outlines Mitsui Coal operating accounts during this period. Mitsui profits during this period were typical of all the major coal companies. According to the Mitsubishi Economic Research Institute, 1951 profits for three other leading coal companies were: Hokkaido Collieries and Steamship--1.5 billion yen; Mitsubishi Mining--2.3 billion yen; Sumitomo Coal Mining--
TABLE 5: MITSUI MINING OPERATIONS DURING THE KOREAN WAR BOOM

<table>
<thead>
<tr>
<th>Sales (million yen)</th>
<th>1st half 1950</th>
<th>2nd half 1950</th>
<th>1st half 1951</th>
<th>2nd half 1951</th>
<th>1st half 1952</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales</td>
<td>10,664</td>
<td>13,230</td>
<td>15,858</td>
<td>21,568</td>
<td>21,975</td>
</tr>
<tr>
<td>Profits (million Y)</td>
<td>204</td>
<td>209</td>
<td>1,012</td>
<td>1,513</td>
<td>1,429</td>
</tr>
</tbody>
</table>

SOURCE: Mitsubishi Economic Research Institute, Mitsui-Mitsubishi-Sumitomo (Tokyo, 1955), p.39

11 641 million yen. The magnitude of these profits should not be underestimated--2.5 billion yen profits in one year for Mitsui, whose total assets were only 11 billion yen in 1951, is more than a healthy rate of return indeed, particularly given the fact that the country was just beginning postwar reconstruction.

Thus substantial capital was being generated in the mines but as Keidanren itself pointed out, the mines were capital investment short. Where was the money going if not back into the mines? In fact dividends on shares reached 30 percent as a result of 1951-52 earnings. And the favourable financial climate led at least some of the major coal companies to diversify into other industries. For example Mitsubishi Coal, which under the occupation had been divided off from the company's metal mining operations, decided to move into the cement industry. Preliminary investigation into diversification began in February 1952 with the final go ahead for a move into cement authorized in July 1953. While such a move may have been advantageous in some ways, it no doubt diverted much needed capital for mechanization of the coal mines. While sketchy, this evidence
suggests that coal companies may not have been overly worried about the competition from oil which would not be surprising in that coal had been the strategic industry ever since the war. And, as subsequent events demonstrated, coal got what it wanted in terms of government protection. While further research is certainly necessary, I believe that there is little historical justification for setting the 1952 coalminers strike as the benchmark for the beginning of the conversion to oil and even less justification for attributing the high coal prices in this period to miners high wages or strikes.

The First Reversal

The coal industry responded to the challenge from oil with a major lobbying campaign beginning in late 1953 to stem the incoming tide of oil. Economic conditions at the time favoured them. The 1953-54 recession in Japan had led to an international balance of payments crisis. By the end of 1953 Japan had a balance of payments deficit of $260 million (US) due to large imports of consumer goods and industrial machines and lagging exports. The tight money policies that followed had a severe impact on the economy. The crisis pushed policymakers to search for a solution to this balance of payments crisis and a component part of the process was to find ways of achieving greater economic self-sufficiency as it was widely recognized that relying on the U.S., particularly on special procurements for the Korean War, was not a means to stable growth. This search ushered in the beginning of economic nationalism in Japan which would culminate in the establishment of the first medium-term
plan for the economy, "The Five-Year Plan for Economic Independence" in December 1955. It was within this general climate of rising economic nationalism that the coal industry's campaign for protection from imported oil struck a responsive chord with MITI which reviewed its energy policy and recommended reversing the earlier government decision to bring in oil to compete with coal. On March 30, 1954 the Yoshida cabinet approved the MITI proposal to restrict oil imports (Sekitan to Sekiyu no Chosei Taisaku) and by June oil was once again regulated.

Three days after having gained cabinet approval to restrict oil imports, MITI dispatched a representative to meet with Keidanren and explain the new policy. While Keidanren officially acquiesced to the new policy, in fact substantial differences existed on energy matters. In Keidanren's own energy policy, announced on January 1, 1955, it was stressed that coal, electrical power and oil were the fundamental energy sources as opposed to the MITI proposal that coal and electricity were the main energy sources. In the initial battle between protectionism and free trade, the protectionists of MITI had gained the upper hand.

The MITI and government decision to overrule Keidanren's views and to protect coal can be traced to a number of factors:

-the government could not easily rebuff the coal industry appeals for protection given the strategic role that coal had played in the immediate postwar years. While other strategic sectors, such as steel, had begun to emerge, the coal
industry remained vital and wielded substantial weight in inter-
industry disputes.

- By the end of 1953 it was becoming increasingly
difficult to justify further foreign exchange allocations for
greater oil imports when there was a $260 million trade deficit.
Why spend precious foreign currency when coal could do the job
almost as well?

- In the context of rising economic nationalism it was
probably unacceptable to MITI bureaucrats that energy policy
should favour oil imports when the imports and a large degree of
the refining industry was under the control or influence of major
U.S. oil corporations.

Failure of Industrial Policy

The 1954 decision to restrict oil in favour of domestic coal
production was fully implemented through a raft of legislation in
August 1955. The legislation provided not only for the
restriction of heavy oil use but also for extensive
rationalization of the coal industry to bring coal prices into a
competitive position with imported oil.

Measures to promote rationalization in the industry had been
proposed in the past and included:

- a June 1950 proposal from MITI's Industrial
Rationalization Council (Sangyo Gorika Shingikai) for a "Steel and
Coal Three Year Rationalization Plan";

- a March 1952 proposal from the coal section of the
Industrial Rationalization Council for a "Three Year
Rationalization Plan";
an October 1952 proposal from MITI's Coal Bureau for a
"Five Year Mine Shaft Development Plan".

For a variety of reasons none of these plans ever saw
fruition. With the decision to restrict oil imports, however,
MITI was obliged to become more involved in the coal industry to
assure that prices were kept in line so that coal consumers would
not be forced to carry the cost of protecting the coal industry.

In the summer of 1955 the Hatoyama government tabled a
legislative package to promote rationalization of the coal
industry, to restrict the construction of boilers for converting
crude oil into heavy oil, and to levy a tariff on both crude and
heavy oil imports. The measures passed in August 1955.

The first of these laws, the Coal Industry Rationalization
Special Measures Law, was designed to promote rationalization of
the industry and keep coal prices as low as possible. The law
included the following measures:

- establishment of a long term rationalization plan,
supplemented by yearly applications, and provision of funding
necessary to carry out the plan;

- a mine buy-back program whereby the government would
purchase inefficient coal mines. Funding for the buy-back would
be provided by JDB and also the other coal operators;

- a ministerial permit system for the opening of new
shafts with the intent of restricting new mine development to
efficient mines;

- a price setting mechanism whereby a standard price for
c coal would be set every year; if prices were too far above or
below this standard, the government could intervene to force a
- a provision for the establishment of cartels (called kyodo koi or joint action in Japanese) to restrict and assign quotas for coal production and sales when necessary;

- preferential treatment for efficient mines in order to concentrate production in this sector;

- creation of two administrative bodies to oversee the implementation of the plan: The Coal Industry Advisory Council (Sekitan Kogyo Shingikai) to draw up the long-term and yearly plans for the industry and to generally act as an advisory council to MITI. It was composed of coal producers, consumers and other coal-related industrialists as well as academics. Appointed to the chair of the Advisory Council was none other than the ubiquitous Uemura Kogoro, vice-president of Keidanren and head of its committee of general fuel policy. The second organ was the Coal Mining Facilities Corporation (Sekitan Kogyo Seibi Jigyodan), which was to be the purchasing organ in the buy-back program.

Under Uemura's tutelage the Advisory Council established the first five-year plan (1955-59) that October which included the following objectives: Increase productivity from 12.5 tons/worker/month to 18.4; reduce the workforce from 277,000 miners to 220,000; reduce the price of coal from 3974 yen per ton to 3230 yen by 1959. As the business community's supreme arbiter, Uemura's task as head of the advisory council was to assure that the coal industry used its protected position to rationalize and that cost reductions were passed on to coal
consumers in the form of price reductions for coal.

Two other bills to control oil imports were submitted along with the rationalization plan and were also approved in August 1955. They were the "Heavy Oil Converter Restriction Law" which prohibited the construction of converter plants for heavy oil except in special circumstances, and a bill to increase tariffs on crude and heavy oil imports to 2 percent and 6.5 percent respectively. However, the most potent weapon in limiting oil imports remained MITI's control over foreign currency allocations for purchases of oil.

Tanro and the other mine unions opposed the rationalization law on the basis that it would result in layoffs with insufficient provisions to help those laid off; that increased productivity would result in speed-ups for those still working; and that the "shingikai" or advisory council was a pawn for management with no representation from labour. The union's fundamental demand was for nationalization of the mines and during the summer a number of short work stoppages took place to demand the retraction of the rationalization bill. Once the bill passed, the union changed tactics to a) resist any layoffs and b) demand long term job guarantees from their respective operators.

The objective of MITI's rationalization plan was to reduce the number of mines and concentrate production in the efficient mines and thereby reduce the price of coal. For the first three years of this plan the objectives were utterly abandoned. Prices rose, there was a proliferation of small inefficient mines with
an increasing amount of coal being produced from this sector. During the first three years under MITI's protectionist measures, the coal companies had the best of both worlds. On the

<table>
<thead>
<tr>
<th>Mines</th>
<th>Production (million tons)</th>
<th>Workers ('000s)</th>
<th>Productivity (tons/worker/month)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1954</td>
<td>668</td>
<td>42.9</td>
<td>277</td>
</tr>
<tr>
<td>1955</td>
<td>750</td>
<td>42.5</td>
<td>278</td>
</tr>
<tr>
<td>1956</td>
<td>756</td>
<td>48.3</td>
<td>287</td>
</tr>
<tr>
<td>1957</td>
<td>784</td>
<td>52.3</td>
<td>298</td>
</tr>
<tr>
<td>1958</td>
<td>703</td>
<td>48.5</td>
<td>283</td>
</tr>
<tr>
<td>1959</td>
<td>624</td>
<td>47.9</td>
<td>256</td>
</tr>
<tr>
<td>1960</td>
<td>622</td>
<td>52.6</td>
<td>238</td>
</tr>
</tbody>
</table>

SOURCE: See Table 3

one hand they were sheltered to a large degree from competing oil imports; yet they could also rely on market conditions to justify digressions from the rationalization plan.

In 1956-57 the economy entered a growth period and the demand for energy once again leaped forward. In 1956, the Suez Crisis erupted and even Japan's minimal oil imports were not assured. Coal became king once again and MITI turned a blind eye as the coal operators made a shambles of the rationalization plan. Prices, which according to the rationalization plan were to steadily decrease each year, rose as demand increased. Metallurgical coal sold for 7,094 yen per ton in 1955 but by 1957 it was selling for 7,921 yen. Kyushu crushed coal which sold for 5,166 yen per ton in 1955 cost 6,484 yen by 1957.

Streamlining the industry was also part of the rationalization plan. Inefficient mines were to be bought up and
new mines were only to be opened by ministerial permission if they met productivity standards. Despite these measures the number of operating mines increased dramatically. 253 mines, including both new mines and non-operating mines, began operations between 1955 and 1958. The buy back program resulted in the closure of 137 mines with a net increase of 116 operating mines during this period. Production, rather than being concentrated in the larger, efficient mines, shifted increasingly towards the medium and small producers. Between 1955 and 1958 the 18 majors share of coal production actually dropped from 67.1 to 64.2 percent while the small producers share increased from 32.9 to 35.8 percent.

In analyzing this period even the Japan Development Bank could only conclude: "It is ironic that the Rationalization Special Measures Law, immediately after its implementation, was unable to play much of a role due to the upturn in the coal industry." Rationalization had not gone according to plan and when an economic recession began in late 1957 coal operators made a fatal mistake—they tried to maintain prices despite a drop in demand (See Table 7). Coal consuming industries rebelled and in August 1958 the steel producers organized a lobby group to pressure the government to drop its restrictions on oil. By late 1959 the die was cast as the government's Coal Industry Advisory Council deliberated on future coal policy. On Dec. 20, 1959 the Council announced its recommendations which were adopted by the government early in the new year.
### Table 7: Comparative Price of Coal and Oil (1952-1960)

<table>
<thead>
<tr>
<th>Year/Quarter</th>
<th>Oil Price per calorie</th>
<th>Coal Price per calorie</th>
</tr>
</thead>
<tbody>
<tr>
<td>1952/1</td>
<td>0.89</td>
<td>1.13</td>
</tr>
<tr>
<td>3</td>
<td>0.88</td>
<td>1.12</td>
</tr>
<tr>
<td>1953/1</td>
<td>0.85</td>
<td>1.06</td>
</tr>
<tr>
<td>3</td>
<td>0.76</td>
<td>1.02</td>
</tr>
<tr>
<td>1954/1</td>
<td>0.77</td>
<td>0.93</td>
</tr>
<tr>
<td>3</td>
<td>0.77</td>
<td>0.89</td>
</tr>
<tr>
<td>1955/1</td>
<td>0.77</td>
<td>0.89</td>
</tr>
<tr>
<td>3</td>
<td>0.82</td>
<td>0.92</td>
</tr>
<tr>
<td>1956/1</td>
<td>0.88</td>
<td>0.91</td>
</tr>
<tr>
<td>3</td>
<td>0.88</td>
<td>0.91</td>
</tr>
<tr>
<td>1957/1</td>
<td>0.93</td>
<td>1.03</td>
</tr>
<tr>
<td>3</td>
<td>0.88</td>
<td>1.04</td>
</tr>
<tr>
<td>1958/1</td>
<td>0.82</td>
<td>0.98</td>
</tr>
<tr>
<td>3</td>
<td>0.76</td>
<td>0.98</td>
</tr>
<tr>
<td>1959/1</td>
<td>0.78</td>
<td>0.94</td>
</tr>
<tr>
<td>3</td>
<td>0.77</td>
<td>0.94</td>
</tr>
<tr>
<td>1960/1</td>
<td>0.77</td>
<td>0.89</td>
</tr>
<tr>
<td>3</td>
<td>0.73</td>
<td>0.89</td>
</tr>
</tbody>
</table>

**Notes:** The unit is yen per calorie. The price of both is landed CIF prices in Tokyo. The price of oil is based on C grade heavy oil and includes a 15 percent discount for fuel efficiency. If anything this table exaggerates the low cost of oil.


The Coal Advisory Council's recommendations included the following points:

- a 1200 yen reduction in the price of coal;
- a production level of 55 million tons per year;
- increasing productivity to 26.2 tons/worker/month;
- layoffs of 93,000 miners;
- a reduction of mines from 624 to 452;
- a three year extension on restriction of heavy oil boiler construction.

The target year for accomplishing this task was 1963, four years hence. The JCA strongly opposed the 1,200 yen reduction which
was 400 yen per ton above their own objective of an 800 yen reduction over the same period. A compromise was eventually worked out with the government coughing up 250 yen per ton in tax cuts and modernization subsidies. The remaining 150 yen difference would come from cuts in distribution costs.

The council's recommendations marked a turning point in energy policy in that the reduction of the production target to 55 million tons from the 69 million that had been envisaged in the 1958 rationalization plan meant that expanding coal production was no longer a priority. The steel industry and Keidanren had triumphed, ten years after the steel industry had first raised its objection to coal prices. Early in 1960 the government adopted the Advisory Council's decisions--it would count on oil as its principal energy source in the future but tried to assure some stable markets for the coal producers by contracting with the steel and power industries to maintain some coal contracts. The first step towards the demise of the coal industry had been taken.

Non-Causes

Prior to 1955 it was difficult to accuse labour of being the source of coal's high price. But what about in the 1955-58 period? Perhaps the situation had changed and labour was now really the problem. In fact this was still not the case. Coalminers' wages did go up in 1956-57 by about 20 percent but part of this was productivity bonuses associated with increased production during these years. Coalminers were far from being among the best-paid workers. Steelworkers were making over
29,000 yen per month in 1958 compared to 24,500 for coalminers. And while it might be argued that steelworkers were more productive, one cannot simply brush aside the dangerous conditions which coal miners faced. In 1957 alone over 600 coalminers died, over 1200 had to have amputations, and over 10,000 were partially disabled for the rest of their lives—this in one of the better years when the union had some strength and, since the companies were making money, speedups were not as big a problem as usual. According to one estimate, the rate of accidents in Japanese coal mines was ten times that in U.S. mines during this period and wages had to reflect this risk. Nor could the labour movement be assailed for being strike happy as the number of disputes in the 1955-57 period was as low as, if not lower than the previous period.

Further proof that neither miners' wages nor strikes were the cause for oil conversion is revealed, ironically, by Mitsui's own accusations of "high wages and low productivity" on the part of its workers particularly, but not exclusively, at Miike. Mitsui charges that its operating deficits were largely due to its labour costs being substantially higher than at other mines, not than miners wages in general were too high. There is no doubt that Mitsui's wage bill was higher but this was due, according to Mitsui, to the fact that miners were putting in for a lot of overtime and that piece-work rates worked out higher at Mitsui. These two facts testify to the strength of the Mitsui miners' unions particularly at Miike and explain why Mitsui had payroll difficulties earlier than other mines. Recognizing this, however, does not imply that one must accept Mitsui's reasoning.
that its labour unions were the fundamental cause of its financial woes. For example, the fact that its long term debts were always triple that of Mitsubishi Coal, which still managed to be Japan's second largest coal producer with production equal to about 70 percent of Mitsui's total, surely was another important contributing factor.

It is fair to say that wage increases in 1955-57 may have played a small role in the price increases in this period, but company profits also have to be taken into account. Prior to the rationalization laws being passed in 1955, the JCA had strenuously objected to the pricing system that was an integral part of the plan. In a white paper published in 1956 the JCA stated that in no case would there be any further price decreases, an assertion that flew in the face of the rationalization plan's stated objective to lower coal prices to a competitive level with oil imports. In fact, prices did not decline and the higher revenues ensured coal operators substantial profits as early as 1956 when all the majors, with the exception of Mitsui, declared a ten percent dividend. The 18 top coal companies made a total of 12 billion yen in operating profits in 1957 alone. Thus increased profits have to be considered as a major factor in the price increases.

An even greater problem in the long run, however, was how these profits, and government financing, were being used. While the whole intent of the plan was to rationalize the industry, in the end coal operators attempted to maximize their short-term windfalls. As a result, much more priority was attached to
expansion as opposed to modernization and increased mechanization of the mines. With the increase in demand at the time, coal operators directed capital investment into expanding coal operations as opposed to modernizing existing facilities. According to the Japan Development Bank: "However, in 1956 and 1957, under the influence of the mood to increase production which accompanied economic expansion at the time, much of the construction was aimed at increasing production." Total capital investment in 1956 is estimated to have been about 19.5 billion yen, up from about 11 billion in 1955. In 1957 capital investment again jumped to over 30 billion yen, nearly triple the 1955 levels. In part the 1957 increases were stimulated by a revision to the Tax Special Measure Law in April 1957 which permitted coal operators to write off all further capital investment as a loss. Of the total capital investment, the 18 majors accounted for between 75 and 80 percent in 1956-57. An interesting problems arises at this conjuncture, however. On the one hand the majors were pouring in capital investment in this period most of which, according to the JDB, was going towards production increases. Yet according to statistics cited above, the majors' share of production actually declined during this period relative to the small and medium-sized producers. Where was the money going? While further research on this point is required, there is some indication that the majors were using investment funds to buy into new small scale producers which became sub-contractors (Ote Soko) to the majors.

The question remains why MITI permitted the rationalization plan to founder. Substantial evidence exists which tends to
indicate that MITI as well as the coal operators was caught up in the "rush to increase production" (zosan mudo) which prevailed during the Jimmu boom. In the summer of 1957 the Japan Coal Association re-evaluated the potential for maximum yearly coal production. Its new estimate of 72 million tons per year beginning in 1975 was incorporated into the Economic Planning Agency's energy prognosis. In August 1958 a new ten-year Basic Rationalization Plan (Gorika Kihon Keikaku) was established. Its goals further reflected the mood of the times: Yearly production was to reach 69 million tons by 1967; 83 new vertical shafts were to be opened; mechanization would be promoted with capital investment amounting to 483.5 billion yen over the ten year period; any reductions in the workforce that became necessary could be achieved through attrition. In other words, there would be no layoffs during the ten year period to 1967! Given this evidence it seems likely that all the parties believed in the 1955-58 period that coal would remain an essential resource industry in the foreseeable future. At the time this made sense. Coal was one of Japan's only natural resources and to abandon or forsake it for oil imports just after the 1956 Suez crisis, which dramatized the fragility of supplies, seemed unthinkable. But other forces were at work which would turn the unthinkable into government policy.

Real Causes

The fundamental reasons behind the decision to restrict coal production and convert to oil were only indirectly related to coal wages, prices and profits. If we look for instance at the
gap between coal and oil prices in 1952 (about .20 yen per calorie) compared to 1959 (about .14 yen per calories) we find that the gap had in fact narrowed not widened (See Table 7). Coal prices had dropped 20 percent compared to about 12 percent for oil. In other words, there was more motivation to switch to coal in 1952 than in 1959 if one just takes prices as a guideline. So the question remains: why the decision to convert to oil and restrict coal?

The essential reasons lay outside the coal industry. In the 10-year period between 1950 and 1960 there had been a fundamental shift in industrial structure and the steel industry had emerged as the new strategic pillar of growth. Between 1949 and 1959 output of finished steel grew from 3.1 million to 16.6 million metric tons. Steel was used in the auto and shipbuilding industries and was identified as the key sector to future industrial growth. And, even more importantly, steel in both its raw forms and as a primary material in ships, was Japan's leading edge into international markets. To maintain and improve their competitive edge major steel producers had rationalized and technically upgraded their facilities in the late 1950s, and while further improvements were possible, other areas which might cut costs had to be exploited. Thus it was no coincidence that steel producers led the charge to organize for a change in energy policy in 1958. They wanted, and the government granted, a change in energy policy in order to lower energy costs. Coal prices were not particularly high--they had dropped since the 1952 peaks and the gap with oil was not as great as in 1952. But
coal was not cheap enough to give steel that extra edge it needed to compete with other international steel producers who had lower energy costs because of cheap, imported oil. The government was also in a different position than it had been in 1953. Foreign currency reserves more than doubled between 1955 and 1960 thanks in large measure to steel or steel-related exports. Japan could thus afford the increased outlay of foreign currency for oil imports. And, finally, Japan's economy had grown substantially--thus the government was less concerned about reliance on oil imports controlled by U.S. multinationals. The Japanese economy had come into its own and economic rationalism took the form of buttressing the steel industry by lowering energy costs--even though it would mean the loss of thousands of jobs in the coal industry.
Notes: Chapter Four


3. *Japan's Public Policy Companies*, p. 120.


5. As cited in *Keidanren Junenshi*, p. 383.


8. Ibid., p. 382-383.


25. Ibid., p. 428.

26. Ibid., p. 416.


Chapter V: Rationalization and Employment

The decline of the coal industry between 1960 and 1970 is significant in the context of current perceptions about Japanese government policy regarding declining industries (shayo sangyo) and, more directly relevant to the issue of labour relations, in the current debate about "permanent employment" as one of the "three pillars" of the Japanese industrial relations system. Well known scholars such as Ezra Vogel have developed almost a cult of admiration regarding Japanese industrial policy capabilities and in his latest work, *Comeback*, Vogel has even managed to cast the chaotic decline of the Japanese coal industry as a model industrial policy:

"By far the largest case of structural adjustment in Japan was caused by the closing of the Kyushu coal mines. It required huge and rapid adjustment by any standards and involved loss of employment on a scale comparable to the loss of American employment in steel and autos in the 1970s and 1980s. The adjustment was painful, and the pain is not over even two decades later. Yet considering the problems involved, Japan's success—in speed of adjustment to market forces, positive cooperation of many groups of people, and maintenance of a healthy society—was as striking in its way as the creation of competitive shipbuilding and machinery industries."  

On a more realistic note Charles McMillan, a York University professor and advisor to Brian Mulroney, has also lauded the Japanese approach to sunset industries as a "costly but ruthless recognition of comparative disadvantage in the industrial structure." Neither of these views really captures the scale of disruption and tragedy that accompanied the decline of coal in the 1960s. Instead they idealize the government's ability to
plan decline. In fact even that process was largely determined by industry and also by the miners themselves who in the end refused to tolerate the deteriorating conditions in the mines and began to abandon the coal fields en masse after 1963.

Labour relations in this period remained turbulent but after the Miike dispute Tanro was largely on the defensive. It abandoned opposition at the mines and instead concentrated on lobbying government to change its energy policy and to provide unemployment relief for the miners. At times it even joined with the coal industry in such endeavours. As for permanent employment it was non-existent in the coal fields and employers mainly turned to government to help unemployed miners. As we shall see the government did a much better job of lining the wallets of the coal operators, although the by-then surging Japanese economy did absorb the surplus miners, albeit with much dislocation and suffering for the miners and their families.

Oil Supplemented by Coal

In 1959 coal production actually fell by over a million tons to 47.9 million due to an economic recession and the production quotas directed by MITI. The recession lasted only 12 months, however, and coal production in 1960 once again rose, reaching 52.6 million tons.

In early 1960 the cabinet accepted the December 1959 Coal Industry Advisory Council's recommendations to restrict coal to 55 million tons production, reduce prices by 1200 yen, and to encourage oil imports. Even before the dust had settled at Miike the Ikeda government moved to implement the new energy policy
which would become a mainstay in Ikeda's plan to double incomes over 10 years. On April 27, 1960 the government revised the Heavy Oil Boiler Restriction Law. It was extended for another three years to October 1963 but small scale boilers were exempted from the restrictions. Keidanren had lobbied strongly for an exemption of the restrictions for industry in the central Honshu area but this was refused. However, MITI revised its own regulations to permit under exceptional circumstances construction of heavy oil boilers for thermal power generation, a measure which satisfied Keidanren.

Following the revision of the heavy oil boiler law, the Ikeda government revised the Coal Industry Rationalization Special Measures Law on Aug. 1, 1960. With these revisions the Coal Industry Facilities Corporation was renamed the Coal Industry Rationalization Corporation and given the mandate to supervise all government-financed capital expenditures for modernization. It also retained its former role as government agent in the coal mine buy-back program.

On Oct. 14, 1960, the energy sub-committee of the Economic Advisory Council (Keizai Shingikai) sent a delegation to meet with Keidanren's Energy Policy Committee to outline the government's long-term energy policy. As outlined to Keidanren, the basic policy was to "assure stable energy supplies and cuts in energy costs by liberalizing imports". At this point the government's intention was not to completely phase out the coal industry--such a policy would have been socially unacceptable and besides, the government was still reluctant to abandon its one and only domestic energy source and to rely entirely on imports.
Thus beginning in November 1960, Keidanren convoked a series of meetings with leaders from the coal, electric power, steel, gas, cement and other industries. Headed by Keidanren vice-president Uemura Kogoro, the talks eventually led to a formula for ensuring some stability in coal demand while allowing user industries to begin to switch to oil. This agreement became all the more essential in light of further developments.

In June 1961, the Ikeda government announced that it was speeding up the rate of trade liberalization and that 90 percent of all trade would be free from restrictions by September 1962. This meant that restrictions such as the controls on heavy oil boilers would be lifted at that time, over a year before they were scheduled to end. The noose around the coal industry was tightening. The announcement of an agreement to ensure coal demand by Keidanren on June 7 helped to ease the impact of the early liberalization. Under the industrialists' agreement the steel and electric power industries would contract for 13 and 20 million tons of coal annually by 1967, thus ensuring a reduced but stable market for coal while permitting the switch to oil to proceed.

A further sign of the government's plan to restrict the coal industry was a MITI directive on July 5, 1961 to the Coalfields General Development Survey Commission, an organ established in 1958 to search for promising coal deposits. The July 5th MITI directive ordered the commission to halt all work on surveying thermal coal deposits while intensifying its search for metallurgical coal. The government decision to abandon thermal
coal exploration while intensifying metallurgical coal surveying was due to the fact that while heavy oil could be substituted for thermal coal, it could not replace metallurgical coal in the blast furnaces for steel manufacturing.

MITI's directive was, in my opinion, not motivated at this time by a desire to completely phase out coal but rather reflected the reversal of the coal-first energy policy. Existing deposits could meet the 55 million ton production target but in the long term this directive to halt surveying for coal deposits was even further reaching than government revisions to the rationalization plans. It was one thing to cut production targets—quite another to cut off potential mine development. It meant that as existing coal seams were worked out no alternative replacement seams were to be developed. In this sense the view that the decline of Japan's coal industry was due to its poor coal seams or to the exhaustion of the mines is somewhat off base in that the political decision was made in 1961 to halt all research to resolve those very problems in respect to thermal coal.

The Arisawa Commission

Neither the coal miners nor their union stood idly by while the government made decisions which in effect were wiping out thousands of miners jobs. While put on the defensive after the defeat at Miike, Tanro attempted to reorganize. Union policy changed from one of workshop resistance to political action to change government energy policy. In September 1961, shortly after the decision to speed up liberalization of the
petroleum industry, Tanro brought hundreds of miners into Tokyo to demonstrate against government coal policy. Layoffs in the industry were becoming widespread by this time and as the situation deteriorated the coalminers union threatened job action to protect its members jobs. Tanro resolved to begin a general coal strike on April 5, 1962 if energy policy was not reversed.

Under attack by the Socialist Party in the Diet, the Ikeda government could not afford to ignore the growing crisis. On the one hand the miners threat of job action, if carried out, could compromise the producer-consumer deal which had been worked out by Keidanren's Uemura. If supplies were threatened, the steel and electric power industry might bail out of the deal. At the same time the layoffs in the industry had become a social problem, one which the government might ignore only at its own peril. On April 5, 1962, Ikeda met with the leaders of Tanro and the coal industry to work out a deal. The following day the government announced the formation of a coal fact-finding commission headed by Arisawa Hiromi to investigate conditions in the industry and to make recommendations for government policy. In return, Tanro was obliged to withdraw its threat of a general strike and coal operators were supposed to refrain from any further layoffs until the commission's report was in. The formation of the commission was an astute, if opportunistic, political move by the Ikeda government. In retrospect it is clear that the government had no intention of changing its energy policy. In fact, Arisawa Hiromi was one of its chief architects. And even as the commission was announced, the coal rationalization laws were being amended to introduce a subsidy
system for mine closures. The amended law allowed for a payment for each ton of potential mine production which in 1965 was worth 1200 yen per ton. This system made it more attractive to close mines than operate them and in fact mine closures accelerated during this period. In July the government established the Coal Mine Area Rehabilitation Corporation to try to attract new industries to abandoned coal fields.

The report of the Coal Industry Fact-Finding Team (headed by Arisawa Hiromi, one of the authors of the priority production plan after the war) destroyed any illusions the coalminers' unions might have had about the possibility of reversing government coal policy. Tabled on Oct. 13, 1962, the report upheld the 55 million ton per year production target first enunciated by the Coal Industry Advisory Council in 1959, and called for further rationalization of the industry which, it was estimated, would result in the loss of another 75,000 jobs. It also called for a further 1200 yen per ton reduction in the price of coal. The Ikeda government adopted the recommendations in November and the budget for coal was set at 14.9 billion yen for the following year.

Tanro, with the backing of Sohyo, attempted to launch a nation-wide general strike on December 14 but although major work stoppages did occur, a general strike did not materialize. For the second time the coalminers' union had suffered a major setback from which it would never recover. From this point on the Tanro was unable to present any substantial opposition to the job cuts and instead resorted to negotiating more favorable terms.
of displacement.

Jobs, Safety, Wages Sacrificed

The loss of jobs in the coal industry was most acute in the 1959-64 period when 175,000 positions were chopped. The actual number of layoffs may have exceeded this figure since there was continuous rollover in employment.

TABLE 8: BASIC COAL INDUSTRY STATISTICS, 1960-1973

<table>
<thead>
<tr>
<th>Mines (million tons)</th>
<th>Workers ('000s)</th>
<th>Productivity (tons/worker/month)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1960</td>
<td>682</td>
<td>52.6</td>
</tr>
<tr>
<td>1961</td>
<td>662</td>
<td>55.4</td>
</tr>
<tr>
<td>1962</td>
<td>608</td>
<td>53.6</td>
</tr>
<tr>
<td>1963</td>
<td>436</td>
<td>51.1</td>
</tr>
<tr>
<td>1964</td>
<td>322</td>
<td>50.8</td>
</tr>
<tr>
<td>1965</td>
<td>287</td>
<td>50.1</td>
</tr>
<tr>
<td>1966</td>
<td>239</td>
<td>50.6</td>
</tr>
<tr>
<td>1967</td>
<td>205</td>
<td>47.1</td>
</tr>
<tr>
<td>1968</td>
<td>168</td>
<td>46.3</td>
</tr>
<tr>
<td>1969</td>
<td>159</td>
<td>43.6</td>
</tr>
<tr>
<td>1970</td>
<td>102</td>
<td>38.3</td>
</tr>
<tr>
<td>1971</td>
<td>93</td>
<td>31.7</td>
</tr>
<tr>
<td>1972</td>
<td>77</td>
<td>26.9</td>
</tr>
<tr>
<td>1973</td>
<td>57</td>
<td>20.9</td>
</tr>
</tbody>
</table>


That permanent employment was non-existent for coalminers in this period goes without saying. The lot of the laid-off miners was a hard one (an issue I shall return to momentarily) but at least they had their lives—for the miners that remained in the coal shafts, life itself was literally in the balance. And nowhere was this truer than at Miike.

The strikers had returned to work in December 1960 and the two unions—the original, militant Miike local and the breakaway...
union continued to co-exist right through into the 1970s. The original union fought a running battle against what it deemed discriminatory Mitsui attacks against itself. As one of the few unions that had stood up to the Mitsui conglomerate and survived, it became a legend within Sohyo and for years after thousands of union activists traveled to Kyushu annually to attend meetings commemorating the 1960 struggle. Though the original union survived it was incapable of stopping the rationalization process at the Miike mines and the subsequent degeneration of working conditions. For example, productivity at the Miike mines jumped from a pre-strike high of about 13.5 tons per worker/month to over 25 tons by the end of 1961. The per ton labour cost declined from about 1,730 yen in mid-1958 to 988 yen in June 1961. Given that this productivity increase occurred in less than six months after a full return to work, the increases cannot be attributed to mechanization but were the result of an intensification of labour, or speedups. While employers no doubt felt they were finally getting their money's worth, in the end the production-first mentality led to tragedy.

On Nov. 13, 1963 at about 3:10 the afternoon shift at Miike's Mikawa colliery was already on the job. The coal dust in the shaft was pretty bad but that was a miners' lot; in an instant the dust disappeared, ignited by sparks and consumed in a thunderous explosion. Miners from the afternoon shift and exiting miners from the day shift, who had not yet reached the shaft exit, were trapped. The toll—458 dead, 800 injured.

John G. Roberts in his book *Mitsui*, charges that Mitsui
had cut back on maintenance and safety personnel as part of the
rationalization program just prior to the "accident"; that a
water-spray system to damp down coal dust had not been properly
used and that its water supply system was clogged with rust.
Unfortunately, Roberts does not fully document his claims, but
there exist other sources which also indicate that the
rationalization program was a contributing, if not decisive,
factor in the tragic degeneration of mining safety during this
period. For example, the Japan Development Bank states: "Going
to excessive lengths to ensure coal production when there was a
shortage of manpower, mine disasters multiplied with 61 lives
lost at Yucho mine, 30 at Izuto, and 237 at the Yamato mine."
These three disasters all occurred in 1965. The government's own
figures indicate that the rationalization program and speedups
were directly related to the mine tragedies. While in every
other industry the accident rate declined on average by 40
percent between 1959 and 1969, in the coal industry alone the
accident rate actually increased by 50 percent: "One can hardly
say that the rapid increase in productivity had nothing to do
with the mine disasters," was the way one labour department
bureaucrat obliquely put it.

Coalminers also saw their standard of living lag behind
other unionized workers as wage increases continually fell short
of those gained by workers in other industries. For example, the
1960 and 1961 standard wage increases of 395 and 1,341 yen per
month were the lowest wage increases of 25 industries surveyed by
Nikkeiren. Bonuses also lagged behind workers in other
industries. According to the same Nikkeiren survey, coalminers
ranked 16th out of 16 industries with 1961 summer and winter bonuses amounting to 24 and 30 thousand yen respectively compared to an average bonus of 49 and 55 thousand yen. Between 1963 and 1968 coalminers received among the lowest wage increases of any unionized worker group. It should be kept in mind that the relative decline in coalminers' wages which occurred during this period was at a time when productivity was leaping forward with output per worker nearly trebling between 1959 and 1968 in the coal industry. By 1964 worker productivity in Japan's coal mines had surpassed that of Belgium, France, West Germany and England. But the tragic deterioration in working conditions led to an ironic situation. After having laid off thousands of miners the industry faced a labour shortage beginning in 1963. A mood of "abandoning ship", as government reports called it, spread through the coal fields. MITI, for example, had estimated 38,000 miners would be laid off in 1963 but in the first half of that year alone 28,000 miners had either been laid off or quit. The result was that the 55 million ton production target was not reached in 1963 provoking the government to re-assess its coal policy once more.

The government again called on the Coal Industry Fact-Finding Team, chaired by Arisawa Hiromi, to investigate the industry. The team tabled its report in December 1964 ("On Reinforcing Coal Policy"). Its major recommendations included:

- reducing the coal production target to 52 million tons per year;
- increasing coal prices;
-further subsidizing interest rates on capital investment loans to the three percent level.

The Arisawa commission's recommendations were adopted by the government in early 1965. From decreasing prices to increasing prices, from maintaining coal capacity to decreasing it--government coal policy had turned into a fiasco because it was predicated on bringing coal prices into line with world oil prices. But it was no easy task to force miners to speed up production at the risk of their lives while reducing their wages at the same time. Neither the government nor Arisawa could openly admit such a travesty but the years that followed witnessed a litany of government "last words" on coal policy until there were few coal miners left and what had once been a "strategic industry" was reduced to naught.

Relief: The Unemployed

Job cuts took place in both large and small-scale operations and not only from mine closures. Table 9 indicates the scale of layoffs in the 18 major corporations. Permanent employment in the coal industry did not exist for miners in either the large or small operations. What is even more phenomenal about these figures is the fact that they represent only the net result in terms of job reductions. It is estimated that between 1959 and 1968 the coal industry hired nearly 300,000 people while nearly 500,000 were fired or left during the same period. These figures betray the extreme turnover rate in the coal industry--many miners went from one mine to another only to be laid off a short time later and gradually more and more miners deserted
### TABLE 9: PERSONNEL REDUCTIONS BY THE 18 MAJORS AND MITSUBISHI

<table>
<thead>
<tr>
<th></th>
<th>The 18 Majors</th>
<th>Mitsubishi</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>MINERS</td>
<td>OFFICE</td>
</tr>
<tr>
<td>Personnel at the end of 1958</td>
<td>190,686</td>
<td>23,363</td>
</tr>
<tr>
<td>(In %)</td>
<td>(100)</td>
<td>(100)</td>
</tr>
<tr>
<td>Personnel at the end of 1968</td>
<td>55,521</td>
<td>8,536</td>
</tr>
<tr>
<td>(In %)</td>
<td>(29)</td>
<td>(37)</td>
</tr>
<tr>
<td>Personnel Reduction</td>
<td>135,165</td>
<td>14,827</td>
</tr>
<tr>
<td>(In %)</td>
<td>(71)</td>
<td>(63)</td>
</tr>
</tbody>
</table>

**SOURCE:** Mitsubishi Mining and Cement Corporation, *A History of the Mitsubishi Mining Corporation*, Tokyo, 1976, Page 608

The industry entirely. It was mainly younger men who left: in 1959 less than 50 percent of the miners were over 35 years of age but by 1969 the over-35 group represented about 75 percent of the workforce. This reflects the fact that the older miners had more to lose if they left the mines. Since wages and bonuses were often pegged to seniority and age, other employers preferred not to bring in older workers. To the older miners their jobs were a lifelong investment which they preferred not to abandon unless forced to.

According to Labour Ministry statistics 181,450 miners registered as new job seekers between 1962 and 1970 of which fewer than 30,000 or about 15 percent found alternate employment through their employers. Government employment offices placed about 116,000 and over 30,000 found jobs on their own. It appears that coal operators felt that, since the switch in energy policy was a government decision, then the government and not they
should be responsible for looking after the displaced miners.

Government policy towards laid off miners followed a complex path and its evolution involved a tremendous number of parties including the two houses of parliament, the various government ministries, agencies and departments, the industry and unions, Keidanren, advisory councils and others. But despite all the players the bottom line was that laid off miners were the ones who paid the price for the switch to oil.

While some minimal provisions for displaced miners had been contained in the 1955 rationalization laws the first major move occurred in 1959, about a year after major layoffs had occurred. The Unemployed Mineworkers Extraordinary Measures Law, adopted on December 16, provided minimal relief through job placement programs, temporary employment special projects and some job training. As well miners were directly provided with a small moving and training allowance but had to apply for unemployment insurance under the regular laws. Employers or educational institutions which took in miners were given funds to build residences.

On June 2, 1961 the Employment Promotion Enterprise Law (Koyo Sokushin Jigyodan Hoan) was passed consolidating the above measures and putting the projects under the Enterprise's authority. It was in this period that the Ikeda government speeded up the trade liberalization timetable which implied greater oil imports earlier than had been expected. This led Tanro to lobby heavily for an energy policy reversal, but the government was determined to stick with oil and instead took
further steps to develop unemployment relief measures. On February 16, 1962 it amended the Coalminers Unemployment Special Measures Law to allow for the payment of wage subsidies to employers who took on older, displaced miners and to expand moving and training subsidies for coal miners who had been employed in new occupations but had been forced to leave these jobs.

The government attempted a major review of coal related laws in what became known as the "Coal Diet" session in December 1962 (following the Arisawa Commission report), but a Socialist boycott resulted in the amendments being stalled in the Upper House. However, the laws passed in March 1963, the major implication for unemployed miners being the introduction of the "teicho seldo" or pass system. Laid-off coal miners were issued a pass book upon registration as a job seeker and this entitled them to register for the multiple programs and receive unemployment insurance. It was effective for three years and overcame some of the problems related to turnover since coalminers did not last long at many of the new jobs. Unemployment benefits were set at a maximum of 450 yen per day or about one-third of their previous wages.

The figures do not really tell the story though—they abstract it, rendering it digestible. But the human element was very real and the sorrow great. In August 1966 the miners plight was brought home to the nation through the wide circulation of what became known as "A Letter of Tears to Prime Minister Sato: Stop the Toyosato Mine Closing". The letter is somewhat long for full quotation but I consider its inclusion essential to begin to grasp the human dimension in this situation:
Aug. 1, 1965

To P.M. Esaku Sato:

I am a girl in the 6th grade at Toyosato Elementary School in Akahira, Hokkaido. Our school is the one where the kids from the Toyosato mine go that's been in the papers and on TV every day. At class though we don't really know what's going on we worry and we're always talking about it.

Thinking about it I came up with the idea of asking you, Japan's most important person—the Prime Minister, so the coal mine won't go under. I asked my Dad but he only laughed and said "Forget it, even if you wrote it he wouldn't bother reading a letter from a kid." But I didn't give up—I heard a Diet member was coming to Toyosato so I'm writing this letter with the idea that he'll be able to get it to you. When my Dad and the other workers get together you hear them talking about the "proposal" a lot. According to Dad, if things happen as they're written in that, thousands of people working in the mines will be left out and the Toyosato mine will be finished.

My teacher says that when the mine near where he taught before went under, a lot of people took up and went to Tokyo or Kawasaki. Some of them came back to the mine though because their new jobs didn't work out or their back pay ran out. I couldn't help thinking—digging coal is what mine people do best.

My Mom and Dad, everyone says they don't want to leave the mine. I heard my Dad came here in 1946. I worry whether he can do anything different after doing a job he's done so long. He's 51 so I also worry whether anyone else would hire my Dad. It's not just my Dad, everyone will have trouble. It seems the shopkeepers in Toyosato don't know what they'd do if the mine goes under. And good friends will be separated forever. The nice school where I and my brother and sisters studied will go too I guess. The town where I was born will completely change. A lot of unhappy things will happen. Please help stop the mine from closing, help my Dad keep working just like now. Please help.

Kikuita Kogawa

The letter did in fact get to the prime minister who responded promptly saying he wouldn't abandon the mines and that the girl
should reassure her parents. Six months later the Toyosato mine was closed.

Relief: Coal Operators

The 1965 series of mine disasters and continual coal company losses pushed the government to again review its coal policy. This time, however, the review was delegated to the Coal Industry Advisory Council chaired by Keidanren vice-president Uemura Kogoro. On July 25, 1966 the council tabled its report ("Fundamental Stabilization Policy for the Coal Industry") which was adopted by the government on August 26. Its measures constituted what the Japan Development Bank has termed an "epoch-making policy of industrial aid". They included:

- reducing the production target to 50 million tons;
- subsidies for coal consumers who increased coal intake;
- a 100 billion yen subsidy to buy up coal companies' assets;
- new subsidies for shaft development;
- a 150 yen/ton production subsidy;
- doubling the mine closure subsidy of 1200 yen per ton to 2400 yen.

To fund the new expenditures the government slapped a 12 percent tariff on imported oil, ten percent of which was to go into a coal special account. The account was set at 52.1 billion yen for 1967. As the coal industry declined, the city banks were less inclined to lend to the industry and as a result the Japan Development Bank's proportion of loans to the industry increased
to nearly 50 percent by this time.

In November 1967, the JCA unilaterally decided to revoke the 50 million tons per year production target. Under the government program it was more profitable to close the mines than to keep them open. This decision provoked a bitter national debate on future coal policy. In the end, a proposal by Keidanren vice-president Uemura won out. Uemura's proposal called on the coal companies to separate their coal operations from other projects (for example, Mitsubishi Coal was heavily into cement and beginning oil importation at this time). As well, Uemura proposed that coal companies which received government aid be operated by a special holding company composed of government officials and representatives of private industry. A third proposal was that the coal production target be set at 30 million tons for 1973.

In December 1968 the Coal Industry Advisory Council tabled its latest proposal on coal policy. The recommendations, besides adopting the Uemura core proposals, also outlined a series of measures which were to constitute the government's "final aid" to the industry. They included:

- a further 85 billion yen subsidy to retire coal companies' debts;
- an increase in the production subsidy;
- further subsidies to reduce interest payments;
- increased subsidies for general mine closures and augmented subsidies for "special closures".

The cabinet adopted the council's proposals in January 1969 and they gained Diet approval in April. The 1969 coal special
account budget was set at 88.5 billion yen. The authorized biography of Uemura Kogoro is extremely revealing regarding the policy-making process at this time and also regarding the contradictions between industry and the various government departments. In it, Abe Yoichi, who was executive directive of the Japan Coal Association at the time, says he visited Uemura in 1967 after the coal operators had decided to drop the 50 million ton production target. At that time Uemura asked him to develop a final coal policy which Abe did and which Uemura subsequently put forward as his own in the great coal debate at the time. It did not fly, however, because the banks somehow found out that Abe had actually drawn up the proposal. Not deterred, however, Abe then left the Japan Coal Association and Uemura appointed him as his stand-in on a subcommittee of the Coal Industry Advisory Council which was assigned the responsibility for developing a final coal policy. Abe's proposal was resurrected and put forward as an official recommendation that formed the basis of future government coal policy! According to Abe, everyone was against Uemura including the Ministry of Finance and MITI but in the end Uemura got his way: "Roughly speaking, the policy basically told the Ministry of Finance to cough up 400 billion yen over the next five years and in the end they had to give in."

By 1969, fewer than 100 mines were operating. New environmental regulations brought in during this period led the electric power industry to cut back its coal-powered thermal power generation resulting in a further decline in demand for
coal. At the same time exploration for metallurgical coal deposits was not as successful as initially anticipated. In December 1970, the coal and steel industries sponsored the creation of the Overseas Metallurgical Coal Development Corporation to explore for and develop overseas sources of metallurgical coal.

In 1972 the Coal Industry Advisory Council was once again called upon to recommend future policies for the industry. On June 29 it tabled its recommendations which included:

- a production target of 20 million tons for 1975;
- a further 70 billion yen for retiring coal company liabilities;
- general increase in subsidies;
- the addition of an administrative section to the Rationalization Corporation to direct industry operations;
- an increase in coal prices;
- an increase in the overall coal budget to between 470-500 billion yen.

The government adopted the above recommendations on July 4, 1972. By this time only 34,000 miners remained in the industry and fewer than 75 mines were operating. Relief measures for hundreds of thousands of unemployed coal miners had cost the government about 59 billion yen over a twelve year period. Over a similar period it spent a minimum of 260 billion just to pay off the coal operators' liabilities.
Notes: Chapter V


5. *Shiryo: Miike Soqi*, p. 419

6. Ibid., p. 429


11. *Tanko Rishokusha Taisaku Junenshi*, p. 351

12. Ibid., p. 340

13. Ibid., p. 339


15. See *Tanko Rishokusha Taisaku Junenshi*, pp. 174-175

16. For details of the pass system see *Tanko Rishokusha Taisaku Junenshi*, pp. 201-214

17. Ibid., p. 301


19. Ibid., pp. 391

21. Ibid., p. 342

22. *Tanko Rishokusha Taisaku Junenshi*, p. 349
Conclusions

This endeavour to come to grips with employer-employee relations in the postwar coal industry is but a brief foray into the complex world of Japanese labour relations. Given this complexity and the limited scope of my research to date, this summation is really only one part conclusion and three parts informed speculation, hunches if you will. My single conclusion is actually self-evident to the reader: The three pillars theory of labour relations did not apply in Japan's postwar coal industry. As a tentative interpretation and guide for further research, I would suggest the following three hypotheses:

1) That the three pillars view of labour relations is really a caricature of Japanese labour relations and therefore fundamentally erroneous even as a descriptor of a unique Japanese "system";

2) That at least four (there are definitely others) economic and political factors influenced labour-relations in the coal industry. They include capitalist rationalism, enterprise corporatism, worker egalitarianism, and liberal democracy. These factors also exist in other sectors and their synthesis, in any given situation, gives Japanese labour-relations their specificity;

3) That the Miike conflict represented a triumph for capitalist rationalism but a setback for corporatist interference in union affairs.

Three Pillars and Coal

This account of the evolution of labour relations in the
coal industry indicates that the "three pillars" theory of Japanese labour relations is not applicable to labour-management relations in coalmining. "Permanent employment" was non-existent in the postwar period in particular, and any employer dedication to find its laid-off workers new jobs was abandoned in favour of state intervention and aid. If anything, the employment situation in the coal fields in postwar Japan was the antithesis of permanent employment, and the elimination of 400,000 jobs in a single industrial sector in less than thirty years stands out as a bald landmark of ruthless capitalist rationalization.

Nor is "enterprise unionism" a very appropriate term for describing the institutions of coalminers' unions. This term is most often used as a contraindication of industrial unionism and another signal of the unique, non-Western biases of the Japanese system. In English language literature the coalminers union, Tanro, is often treated as an exception to the rule of "enterprise unions" and is characterized as an "industrial union". My research indicates that a false dichotomy is being made between enterprise-based and industrial unions and with it a false dichotomy between the "Western" and Japanese systems. The coalminers' unions operated on three levels—the local (in the Miike case with 15,000 members) which was part of the enterprise federation for all Mitsui coalminers (Sankoren with 35,000 members), which in turn was affiliated to a national federation, Tanro, that had certain limited powers. If one analyzes the process of unionization at Miike, it occurred shaft by shaft culminating in the formation of the Miike local. The local then began confronting Mitsui and then made contacts with other miners.
in Kyushu working at Mitsui's Yamano and Tagawa mines. That these workers joined together in a regional Mitsui federation appears as a logical course of unionization as was national affiliation. What might reflect a certain corporatist bent was the formation of the national Mitsui federation where company organization transcended geographical constraints, but even this is questionable. In general workers followed a pattern of organizing by company, industry and region and the existence of a workers federation based on a common employer in itself does not necessarily indicate a specific corporatist quality. Unfortunately, commentators have mechanically fused organizational forms and ideology and have thereby distorted the nature and relative importance of enterprise federations. To put it more clearly: enterprise federations are not necessarily corporatist-inspired and should not be equated with the common English expression "company union," which in labour relations terms implies the union is controlled by the employer.

Pillars Without Foundation?

The question which must be posed at this point is whether labour relations in the coal industry are simply an exception and that the "three pillars" theory is still an apt description of labour relations generally. At this point I would respond with a resounding "no" to that query for the following reasons: First, there is an increasing body of scholarly literature which also challenges the "three pillars" perspective. For example, even Solomon Levine, a long-time industrial relations specialist on Japan, now contends that: "Even the oft-heard claim that one-
third or so of Japanese wage and salary workers enjoy lifetime employment is much in need of proof." If 70 percent of the working population is excluded from the institution of permanent employment surely its importance as a general characteristic is over-rated. One might still make an argument, as Andrew Gordon did in his recent work, that permanent employment existed for males in large manufacturing firms after 1955. But even this more precise definition loses its historical significance when one considers the massive job reductions recently announced in the steel and shipbuilding industries. At best, job security seems to exist only for males in large manufacturing plants in strategic industries which are on the rise. In light of these facts it appears to me to be fundamentally misleading to speak about permanent employment as one of the institutional pillars of Japanese labour relations.

A second reason for rejecting the "three pillars" characterization is, as I indicated earlier, that it attributes a peculiar feature to Japanese union organization ("enterprise unions") which is inaccurate and unilateral. I would argue that overemphasizing enterprise federations as opposed to industry-wide federations misrepresents the organizational pyramid which evolved after the war and underestimates the importance of industry-wide federations. In fact these industry-wide federations were the very basis for the formation of the 1955 spring wage offensive (Shunto), the importance of which is consistently downplayed by advocates of the "pillars".

One might respond that Japanese unions remain less
centralized (or industry-wide) than in Great Britain or Canada. But even this assertion rests on tenuous territory. The number and scale of industry-wide unions in the West is much smaller than what is popularly portrayed. For example, in the auto industry in Canada there is indeed an "industrial union" (considered one of the strongest) but even it has a strong enterprise component. There is in fact no industry-wide bargaining but rather pattern bargaining with target companies—Chrysler one year, Ford the next, followed by General Motors. The union is organized by locals for each plant which are covered by an enterprise-based collective agreement. In other words all workers for Ford are covered by one contract but even then local agreements (by plant) are also made on specific local issues. Even this system, one of the most "industrial" in Canada, is very much an exception. According to one estimate, two thirds of all wage agreements in Britain, Canada and the U.S. are negotiated between local unions and individual companies or plants and industry-wide bargaining is exceptional. The closer one examines the actual situation the more subtle national distinctions in union organization become. The exaggeration of differences has arisen, in my opinion, because policymakers have mistaken organizational questions for issues of ideology. For example, Ota Kaoru, the past chairman of Sohyo, recounts how the Shunto industry-wide bargaining tactic was developed as a means of countering "enterprise consciousness" (kigyo ishiki) and the localism of enterprise unions. The issue, however, is much more profound than sectionalism or localism and touches the very core of Japanese culture and identity.
This critique of "permanent employment" and "enterprise unions" is harsh but warranted, I believe, because the "three pillars" theory has become so widespread that even otherwise fine scholarly works such as Gordon's are unduly influenced by it. This so-called theory has indeed become an obstacle, a needless diversion in our attempt to understand Japanese labour-management relations. To say this is not to deny that early observers of the Japanese labour relations scene did not pick up on certain distinct Japanese characteristics but these distinctions have since been exaggerated to the point where they have become vulgar caricatures of labour-management relations.

Coal: An Exception?

The experience of labour-management relations in the coal industry indicates that it is definitely premature to talk about any singular Japanese labour relations "system" or model. The only thing systematic seems to be diversity and seemingly impenetrable contradictions. Much more research must be undertaken in varying industrial sectors, in large and small firms, strategic and declining industries, union and non-union shops, public and private sectors, and gender-specific industries before we can come to any scientific conclusions about a Japanese "system". To the extent that this work has been done, specific Japanese features such as permanent employment are hard to pin down and can be easily contradicted. We seem to be dealing with nuances, subtleties, almost feelings rather than facts. To exaggerate what appears to be unique leads to distortion—to ignore distinctions would seem to deny Japan's specificity.
Labour relations in Japan's postwar coal industry are in their own way exceptional. Massive, fast rationalization and a bitter confrontation at Miike seemed to make labour relations in this sector different. But it is this very difference which offers us an opportunity to penetrate the mist and isolate a multitude of economic and political forces in flux, in dynamic tension, shorn of many of the subtleties present in a less charged atmosphere. As one of Japan's first postwar declining industries, coal's strategic position meant that not only coal operators but a whole range of forces were involved in shaping both industrial policy and labour relations. The Miike dispute acted very much as a catalyst in precipitating a sharp interplay among forces which have had, and continue to have, important roles in shaping Japanese labour-management relations. These forces or factors appear through the actions of elites, such as Nikkeiren, Keidanren, the elected government, government ministries, Sohyo, the Socialist and Communist parties, Zenro, and company executives—as well as through ordinary rank-and-file workers, walking on or breaking through the picket lines. They all betrayed their particular attitudes and fetishes which, when considered as contemporary reflections of a historical process, help to understand the dynamics of labour relations. Thus, even though the coal experience is unique it offers an excellent window into the world of labour relations.

Ronald Dore contends that, "The mining industry was not the source of institutional innovation." I believe this reflects a tendency to underestimate the importance of the coal industry as
an important crucible for Japanese labour relations. I would contend that managers and workers in the coal industry have played an especially important role historically in shaping, both institutionally and otherwise, contemporary managerial attitudes towards labour. For example Dan Takuma, who became Japan's leading industrialist and an important force in labour relations in the 1920s, began his career as an engineer with Mitsui Coal. His views on labour-management relations were strongly influenced by his direct experience in the coal mines. The two most influential hands-on men within Nikkeiren in the postwar period, Maeda Hajime and Hayakawa Sho, were both full-time labour relations specialists for Mitsui Coal and Mitsubishi Coal respectively prior to W.W. II. Thus, to understand labour relations in both the pre- and postwar coal industry, to delve into the elements which led to the Miike strike, is to begin to understand a process which definitely influenced contemporary labour relations on a broader scale.

Converging Diversity

On the one hand there is little doubt in my mind that in Japan as elsewhere strong convergent factors are at work. Capitalism as a mode of mass production is increasingly becoming the dominant form of production in most, if not all, areas of the world. In its wake, workers are prodded to organize to resist exploitation and thus worker combinations or unions, in one form or another, begin to form. The process of establishing unions is often protracted as employers attempt to ban or co-opt them. Nevertheless, unions eventually do develop. Workers hope unions
will defend their interests, will give them some measure of equality with elites. In this process many unions, although certainly not all, adopt early forms of socialist ideology and politics. Japan is no exception to this trend. One hundred years ago Japan had no unions and no socialist politics—today it has many unions and numerous socialist tendencies. In this sense it is very convergent with Britain or Europe. We can distinguish two specific factors—capitalist rationalism and what I call worker egalitarianism—that push forward the convergence process. For the purpose of discussion we will analyze these factors as autonomous entities but it should be noted that in the real world they do not exist in isolation but only appear in specific forms tempered by national circumstance. To put it another way, these factors take a national form but in essence are universal trends.

Capitalist rationalism is the profit-based economic motivation which, in numerous cases, determines managerial actions or attitudes. For example, the decision to restrict and eventually phase out coal as Japan's major energy source was a classic example of capitalist rationalism. The bottom line made sense in more than one way. The decision to lay off workers at Mitsui Coal also made sense—it cut costs and was part of a process to bring Mitsui back into the black. The fact that what appears rational at one point (phasing out coal in the 1960s for example) appears less rational or even irrational at another (in 1973 when the first oil shock arrived) does not diminish the significance of this factor as an important element in shaping labour relations or industrial policy. That this is a convergent factor is evident in the worldwide trend to switch to oil as an
A second evolving factor is working class consciousness. I would maintain that taken in isolation this too is a convergent factor. The evolution of class consciousness has many dimensions but distinct trends can be seen among coalminers in Japan. When the Miike miners struck in 1924 one of their demands was the abolition of the company association. This rejection of company control was part of the process of an emerging, articulated identity as workers with interests which did not necessarily coincide with those of employers. It developed largely spontaneously at this point and was only peripherally influenced, if at all, by socialist or communist ideas. In the immediate postwar period this embryonic class consciousness mushroomed to fill the political and ideological void created by defeat in the war. Managers at Miike, for example, tried to contain the movement, participating in the first union rally and giving out beer money, but everything conspired against them at first. The occupation forces imposed a liberal legal framework enshrining some basic union rights—workers increasingly realized that they didn't need to obtain managers' permission for their actions; managers were taken to task for their selfishness during the war and for postwar hoarding. Yet the postwar consciousness was not socialist or communist—these political ideologies only began to articulate policies in 1946-47 and while a fusion between socialism/communism and the growing union movement began at this time, it remained embryonic and vulnerable. If one looks at some of the major union actions and demands in the immediate postwar...
period they remain strongly marked by collaborative ideology--in the coal industry for example all unions agreed to participate in economic revival councils (fukkokai) as well as joint labour-management factory councils. In this sense the conditions for conscious seizure of the factories did not exist--not that there was not upheaval and opportunity but the consciousness was lacking. However, in historical terms, the fact that workers so massively joined unions in the postwar era and demanded equality represented a qualitative step forward from the prewar and wartime period when unions were illegal and workers were, at best, given a consultative voice.

Managerial consciousness was spontaneously marked, as indicated previously, by capitalist rationalism. But it was also heavily influenced by corporatist ideology. Corporatism as an ideology is relatively unknown in countries with strong Anglo-Saxon traditions so it perhaps would be appropriate to explain some of the basic elements of corporatism as I understand them. The word corporatism is derived from the word corpus or body. As a political ideology it evolved in the modern era as an organic, collectivist reaction to liberal-democracy. M.H. Lenormand outlined the corporatist reaction to liberal democracy in his book Manuel Pratique du Corporatisme (1938): "The democratic regime, based on the individualist principle and this erroneous concept of liberty that becomes economic liberalism, thus contains in its foundations the very causes for political disintegration and economic disorder and their result: class struggle." Liberalism promotes formal individual equality while
legitimizing private control over the means of production. Classic liberalism rejected unions as an abrogation of the right of the employer to contract with workers as individuals, but as worker egalitarianism developed liberalism accommodated the lower strata and became liberal-democracy. Corporatism on the other hand is a conception in which the individual is subordinate to the group and the rights and obligations of individuals are defined only as constituent elements of the whole. Hierarchy is dominant, either formally or otherwise, and power is invested in the leadership through status. Codes of conduct may be implicit rather than explicit and rules and regulations defined through convention rather than contract.

My perception of managerial or capitalist ideology in Japan is that it was definitely not liberal. Capitalism developed not in the struggle against the arbitrary state but as a component part of the emerging kokutai or body politic (national corps is actually an excellent yet literal translation of the term). Corporatist ideology was strong in Japan not because it was a late developer but because of its quick transition from feudalism to capitalism. Thus when Japanese managers began to confront the issue of labour control around the turn of the century their corporatist bias led them to specifically reject liberal approaches to labour relations. Instead they adopted a corporatist approach which I would provisionally label enterprise corporatism based on a Confucian familial model. This model was not adopted as a charity but rather as a rational Japanese managerial response to the discovery that coercion of workers, a natural capitalist tendency to maximize profits, created problems
in labour supply and morale. Ronald Dore explains some detail in *British Factory--Japanese Factory* how textile employers came to develop the "firm-as-extended-family" model. This model was tailor-made to resolve some basic problems: it responded to workers' earliest desires for some status while reinforcing subservience through reaffirmation of hierarchy. It was a brilliant and conscious social concept adapted to deflect the otherwise apparently imminent outbreak of worker egalitarianism not too dissimilar from that in the West and which Japanese managers wanted none of. It is not possible in the context of this essay to thoroughly analyze all the specifics of Japanese corporatism. However it is important to establish its pertinence to labour relations in coal. In my opinion the corporatist familial model was a trade-off—it conceded a limited status to workers who had none and gave them certain advantages in exchange for submission to managerial authority. This bonding had other implications on the level of job security however. As workers were now seen as an organic part of the enterprise it became more difficult to dismiss workers for purely economic reasons without shattering the whole corporatist paradigm. This is reflected in the language of dismissal where the popular expression *kubi kiri* (decapitation) is used for both firings and layoff. The importance of both instances is that the person was excluded from the collective, exiled. Thus a whole ritual, a convention for layoffs developed where the employer never really terminated the relationship but found heroic "volunteers" ready to sacrifice themselves for the collective. This elaborate
procedure was the dubious reconciliation of conflicting corporatist and rationalist forces.

As the 1924 strike at Miike indicated workers were not completely taken in by corporatist ideology. The consultative councils (the kyoai kumiai) which Dan Takuma had trumpeted as the Japanese alternative to unions were one of the workers' main targets. During the 1930s and 40s enterprise corporatism was subsumed in the rise of state and national corporatism. Defeat in war dealt a body blow to corporatist ideology on the state level but many capitalists still hoped for a revival of the enterprise version. Maeda Hajime described his reaction to the arrival of liberal democracy: "The big gift brought to us under occupation policy was the introduction of democracy. It was hard to understand this democracy in the beginning—like water was to oil, so democracy was to our emperor system which had sustained the Japanese national spirit for over the past 2000 years, and to our concept of noblesse oblige which had illuminated our history and tradition...it was difficult for my ideas to be suddenly transposed by democracy." In the postwar democratic surge corporatism came under siege but with the 1947-48 change in occupation policy, corporatist managers like Maeda attempted to reassert themselves. The most essential aspect of corporatism they wanted to maintain was managerial hegemony over authority. This striving for hegemony within the enterprise could not be reconciled with the liberal democratic model where authority was contingent on collective bargaining and an elaborate contract outlining managerial and union rights and obligations. Managers could not tolerate an organized union structure able and
willing to enforce union rights. The whole 1948-60 period was marked by this struggle between worker egalitarianism and a revived enterprise corporatism. The second union movement, so strong during this period, was the corporatist attempt to subvert union independence within the context of a liberal-democratic legal system.

This leads to the fourth factor influencing labour relations in the postwar period—liberal democracy. As mentioned previously, the legal framework for labour relations was liberal democratic which tended to legitimize union autonomy. The decision of the Ikeda government in July not to enforce the interim injunction prohibiting picketing at Mitsui's hopper at Miike was a reflection of liberal democracy in contradiction with corporatism. Maeda and other corporatists wanted the injunction enforced and a lesson in law-and-order given to the strikers. This was refused because it would have compromised the liberal democratic position of the government.

Corporatist managers were unable to regain complete hegemony at Miike, nor were they able to entirely enlist the liberal democratic state in their quest. In this sense Miike may well have checked the rise of the authoritarian aspects of enterprise corporatism. Corporatism still remains a force in Japan and much of what is specific in labour relations there can, I believe, be traced to it. However it exists not in isolation but as part of a complex mosaic of forces which are constantly interacting to create a dynamic labour-management relationship.
Notes: Conclusion


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