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A JOURNEY TO RECOGNIZE LABOR AS A SOCIAL QUESTION IN MODERN JAPAN

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In this paper, I delineated the dynamic processes of political awakening of workers, industrialists, and bureaucrats when faced with a rapid socioeconomic change. The Meiji Japan was a labor surplus economy in which the balance of power belonged to the owners of the scarce capital and land resources, not to the owners of abundant labor resources, the workers and the tenant farmers. Thus, their grievances were dealt with as an economic problem. Even the workers themselves were not conscious of their right to a decent human life. However, the advent of large-scale wars contributed to the advancement of the bargaining power of the workers, especially with skills in high demand. The tightening of labor market empowered the skilled workers in their demand for higher wages and better work conditions. Consequently, Japan experienced a bulge in real and nominal wages as well as the change in consumption patterns. The modern managerial industrialists managed to link higher wages with higher productivity and larger profit. Yet they failed to grasp the rights of wage laborers as being equal to theirs. In this respect, the Japanese middle class failed to sustain the trend toward democratization. Although being the prime mover of democratization, the Japanese middle class remained hesitant to recognize the human rights of workers, the propertyless. Therefore, when they did manage to start a truly liberal reform, they found that the external factors hindered their effort toward the progress of democratization. It was their hesitation that brought the end to the liberal democracy which they initiated.

Key Words: *Modern Japan, Labor as a Social Question, Surplus Economy, Political Awakening, External Factors.*

INTRODUCTION

A century apart, both England and Japan successfully achieved industrialization. However, unlike England in the eighteenth century, Japan made a conscious effort of industrialization at the national level[1] and transformed her predominantly agrarian society into a manufacturing one under the governmental plans. Yet in both cases,

[1] Slogans of the Japanese industrialization imply its determination. First, *Bunmei Kaika*, westernize Japan. Second, *Shokusan Kogyo*, industrial expansion and business development. Third, *Fukoku Kyohei,* wealthy country and strong army.

factory town life disrupted village life and the people soon realized that they lost their old way of life. With the goodies of industrialization came the evils of the capitalism. Japan, being a late-comer, was well aware of this social disease and strove to avoid the mishaps England had to swallow. Supposedly, everything should be under control for Japan since she learned a lesson or two from England.

Unfortunately, Japan, too, had to undergo the torturous adjustment in dealing with tensions between newly created classes, namely industrialists and wage workers. The government could not trust industrialists on the matter of labor management because they lacked a long-term vision of economic growth. The businessmen would not let control over factory labor slip away from their hands: they portrayed themselves as the paternal masters to whom workers should turn for care, thus they were convinced that their 'beautiful customs' in managing workers were more effective in both boosting economic growth and avoiding European social disease than the governmental meddling. Consequently the government and the industrialists had little consensus on how to solve the new problem of labor.

Faced with double jeopardy, the initial reaction from workers was apathy. Labor disputes were nothing more than riots to bring their plight to the attention of high-level personnel. Unlike their cohorts in England, wage workers in Japan were very late in becoming class-conscious. Or even worse, the first-generation labor force hardly felt attached to its job.[2] A Dutch advisor at the Nagasaki Ironworks was so frustrated by the lack of discipline among workers that he had to make several requests to *bakufu* officials: 1) He wanted factory doors to be closed so that workers could not come and go freely during work hours, 2) demanded that those absent should be checked by a Japanese doctor to see if they were indeed sick, to name a couple.

Unlike workers in England, Japanese workers were elbowed into a presumably wonderful urban life while holding on to old customs and values. Workers, after seeing the unnatural habitat, regarded their stay temporary and promised to themselves that they would go 'home.' Thus, their attitude remained lax toward work hours and holidays as well as rules pertaining to jobs. Furthermore, workers did not feel it necessary to challenge the unfairness of the treatment as long as their own skin was intact. When workers were not wholeheartedly

[2] Gordon (1985: 27). Interestingly, discipline of labor is considered the most important factor behind Japanese economic miracle nowadays.

committed to their jobs, they could barely develop a sense of common interest, if not obligation to fellow workers. It was only after they came to realize that they would never leave this new abominable environment when they shifted their sense of belonging from 'home' to the place of their stay and attempted to do something about their life. However, they were yet to be politicized. Their first organizational effort was in recreating the sense of community and security which they lost when they left 'home.'

Consequently, the first labor organization was designed to provide mutual benefits, which is maintaining the status quo because workers reacted only to situations which worsened their living/working conditions. When a dispute occurred against an employer, workers relied on petitions or riots, if the former turned out to be of no effect. Basically, workers appealed to the moral responsibility of their paternal employers. The idea of 'basic human rights' was fundamentally foreign to them.[3] Both workers and industrialists clung to 'beautiful customs.' Subtle obedience to one's master constituted normal virtue in apprenticeship. Unlike workers in England, Japanese workers remained unwilling to challenge employers by utilizing political leverage, i.e. their organization. By the same token, unlike managers and owners in England, Japanese businessmen retained their image of a benevolent master commanding their apprentices' absolute loyalty and opposed to workers' organizational effort to better their lot. The Japanese government was active in the matter of labor-business relations not because of enlightened bureaucrats' effort to protect workers but because of economic objectives. For the sake of orderly industrial development, the government persuaded industrialists to enlist the business cooperation in implementing social and economic policies.[4]

This connectivity to the old value system accounts for the characteristics of the nature of labor relation from 1890s to World War I although much of the unique Japanese tradition and custom are claimed to survive until now.[5] Except, perhaps, policy makers, workers and industrialists stubbornly clung to the traditional social values. Most industrialists obdurately refused to recognize the need to institutionalize labor movement. Vis-é-vis the government's economic reason behind the protection of workers' physical well-being, industrialists maintained that

[3] Ayusawa (1966: 53).

[4] Gordon (1989: 55).

[5] Evans (1970: 125). In this context, the author argues that the Japanese model does not converge to the Western model.

their mystified customs of paternal care combined with workers' absolute obedience were more effective in promoting productivity. Up to this moment, ideology did not play a significant role. Thus, class consciousness did not enter the mind of workers as well as industrialists.

It was the next generation who was born and/or grew up in the new industrial settings that became politically oriented. Kautsky correctly pointed out that only after a generation or two, the transition from a peasant to a worker was complete in that 'home' was no longer the old village.[6] World War I was indeed a focal point in labor movement. It was over this period when various social strata came to be conscious of their own power or lack of power as a class. Japan was under the Imperial Democratic rule in which elite pluralism flourished along with the pluralistic structure of the political order. Around this period, the Japanese labor market underwent a transformation which would increase an average worker's real income.

In this paper, I intend to delineate the dynamic processes of political awakening of workers, industrialists, and bureaucrats when faced with a rapid socioeconomic change. A particular attention is given to the transformation of the labor market. It is noteworthy that the Japanese government implemented social and economic policies not out of paternalism, but out of economic rationality.[7] Consequently, the matter of workers' right was never on the list of the governmental consideration, not to speak of the industrialists' concern. However, business and the government were divided even within itself on labor problems at least until labor movement turned prominently radical and carried a flavor of socialism.

This paper will be divided into two periods: 1890s-World War I and post W.W.I-Pacific War. During the first period, labor relations epitomize on the issue of a factory law whereas a major concern lies in labor union law during the second period. For each period, I will analyze the conceptual and active responses of labor, management, and bureaucracy under separate headings. A special focus is given on the labor market because its transformation allegedly changed 'the rules of the game.'[8]

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[6] Kautsky (1972: 115). "Although it may take only a day objectively to turn a peasant to a worker, it is likely to take at least a generation for him to make the transition subjectively ..."

[7] Garon (1987: 19). An opposite viewpoint is presented by Iwao F. Ayusawa who argued that the Japanese government was compelled 'to adopt social policies to mitigate the suffering of the victims of the revolutionary change' (Ayusawa 1966: 54).

THE MEIJI ERA 1: LABOR POLICY WITHIN THE CONFINES OF INDUSTRIAL POLICY, 1880~1900

With the demise of the feudal rule, the oligarchs initiated the Meiji Restoration. As their foremost goal was to modernize Japan, the adoption of new technology accompanied the introduction to new ideas, to much of the oligarchs' dislike. Those who were against the ruling oligarchs seized upon this opportunity and provoked the movements of the popular rights. In order to contain such a growing movement, Ito Hirobumi and Okuma Shigenobu, two most prominent oligarchs, agreed on setting up a representative government. In 1889, the oligarchs presented the constitution modeled after German's. Consequently, the constitution established the first national assembly, the Diet in 1890. The Diet was composed up of an appointive House of Peers and an elective House of Representatives. The lower House members were elected by male voters who were over twenty-five and paid taxes of at least fifteen yen per year were eligible to vote.[9] This restriction on eligibility implied that the voters consisted of the landowners and the well-to-do ex-samurai. Consequently, the entire framework of legislation represented the conservative oligarchs' effort to curb any challenge to their power as well as their interest.

The early economic structure was determined by the Japanese governmental policy to promote industry.[10] As the initial state ownership of enterprises yielded to the budget pressures and losses from 1880 on, the Japanese government sold most enterprises to the private sectors and supported them, if not subsidized them. As a result, the size of the industrial employment doubled around 1890 as seen in Table 1. Industrial workers, however, remained a small proportion of the entire labor force.[11] Accordingly, workers were not perceived to be worthy of consideration as a separate entity to the bureaucrats. Moreover, before 1900, the Japanese bureaucrats were hardly insulated from business interests because ex-bureaucrats often found themselves

[8] Napier (1982: 342). There are two theories to interpret the transformation of the labor market: 1) the W. Arthur Lewis' theory of labor surplus development and 2) the neoclassical theory of competitive labor market.

[9] Marsland(1989: 6). Of the 40 million Japanese people, about 450,000 were eligible to vote.

[10] Hazama (1976).

[11] Industrial employment was about 1 percent of the whole work force in 1886 and 2 percent in 1900. Marsland (1989: 15).

TABLE 1. INDUSTRIAL EMPLOYMENT IN JAPAN: 1886~1897

sectors	1886[a]		1888[a]		1892[b]		1897[c]	
	persons	percent	persons	percent	persons	percent	persons	percent
silk-reeling	51,000	25	76,000	33	69,000	21	105,000	24
cotton-spinning	2,000	1	8,000	3	29,000	9	42,000	10
heavy industry	14,000	7	13,000	6	16,000	5	32,000	7
metals mining	35,000	17	40,000	17	106,000	33	120,000	28
others[d]	105,000	51	94,000	41	104,000	32	136,000	31
total	207,000	100	231,000	100	324,000	100	435,000	100

Source: Marsland, Stephen E. *The Birth of the Japanese Labor Movement: Takano Fusataro and the Rodo Kumiai Kiseikai*, p. 13.

a: 1886 and 1888 figures are for factories of ten or more employees.

b: 1892 figures are for companies with 1,000 yen or more in capital.

c: 1900 figures are different from 1897 figures in heavy industry so that the proportion increased to 13 percent, which corresponded to 59,000 out of 435,000 total employed. Other sectors shrank slightly.

d: glass-making, paper-making, weaving and cloth manufacturing, chemicals, brick-making.

in business and exerted their influence in policy making on behalf of business. Consequently, the Japanese government was reluctant to intervene in the labor relations, which were left with the industrialists to deal with.

Following the Sino-Japanese War, industrialization accelerated changes in the labor market where supply of labor pool was no longer unlimited. As the skilled workers found themselves in high demand, they started to take advantage of their bargaining power vis-à-vis industrialists. Being unable to understand that high wage was also the driving force toward high labor productivity and eventually largerprofit to themselves, the frustrated industrialists attempted to do away with labor mobility.[12] Along with high turnover, Industrialists were baffled with an increasing number of labor disputes and blamed the workers for becoming undisciplined.

The worst was yet to come. Distrust of 'invisible hand' especially in labor market which business shared also led the government to take a keen interest in factory legislation. The Industrial Bureau of the Ministry of Agriculture and Commerce which handled questions of labor policy was hardly inclined to curb the employer's power over labor. The sole

[12] Taira (1970: 86).

objective of the statist scheme was to nourish the favorable industrial environment by regulating labor mobility. In so doing, the governmental industrial policy as well as labor policy was supposed to benefit private enterprises. Thus, business largely favored such a regulatory legislation.[13] It was the labor-protection feature of the factory legislation that irritated industrialists. Lacking a cross-cutting organization to represent business interest, industrialists relied on ties to the Diet politicians and relentlessly rejected the need for a protective factory law.

In the course of deliberation, industrialists opposed to the governmental intervention in labor relation for the following reasons: 1) since Japan did not yet experience Western-style social diseases, such a law was premature to apply, 2) Japanese employers were innately more benevolent toward their workers than the Western cohorts because of the 'beautiful tradition of paternal relationship,' 3) restrictions on working hours and child labor would lead to the increase in production costs and eventually damage the competitiveness of the Japanese goods, and 4) most of all, the traditional custom of 'beautiful' paternal care along with the obedience from workers would be more effective in avoiding conflict, maintaining stability and promoting economic development than any legal measure.[14]

However, there was hardly a consensus within the government over the propagated economic benefits of protective labor policy. Failing to recognize that the problems of Japan's ever expanding working group was more than an economic matter, bureaucrats and industrialists alike convinced themselves that industrialization was the best welfare policy a nation could offer. Consequently, the major concern of the government was a long-term economic growth. In this context, the government persuaded industrialists that the factory law was indispensable because protection of workers would upgrade the labor productivity and eventually pave the road for the orderly development of industry by preventing the Western social evils such as strikes.[15]

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[13] Garon (1987: 20). In drafting a factory legislation, the Japanese bureaucrats consulted with industrialist groups closely, but never with the labor groups. In one instance, a local industrialist group petitioned the government for a law that would bind workers to employment contracts. In the first draft of 1883, tough penalties were stipulated against a worker who would break a contract or stop work on his own volition or engage in a conspiracy to do so.

[14] Gordon (1989: 56). Industrialists felt largely humiliated by the government's trespassing.

[15] Gordon (1989: 55).

Although bureaucrats agreed on the necessity of the long-term economic growth, they disagreed on the method, especially the legal measure such as the labor-protective factory legislation. Dissidents argued that the more direct way to pursue the long-term economic growth would be the rapid capital accumulation based on the low labor cost. In the meantime, the rising demand for labor would necessitate the improvement of working conditions.

The division within the government provided a breathing space for industrialists. They did not let a golden opportunity slip away and strenuously lobbied to dilute the protection features, and then block the presentation of the draft to the Diet. Coincidentally, the Okuma-Itagaki cabinet collapsed in 1898 right after the endorsement of the draft by the Higher Council on Agriculture, Commerce, and Industry. The draft of the factory act never reached the Diet. Moreover, the business community effectively persuaded the successive governments to delay the legislation for a decade. Given the absence of the industry-wide representative organization, industrialists reaped a fruit of their incessant efforts with a remarkable success.

The remaining group which should be a participant of all this process, yet left out of the decision making was workers. Aided by the regime's aversion to the organized labor, industrialists insisted on the preindustrial control over labor relations.[16] The disillusioned industrialists simply could not understand that calling a modern manufacturing factory a household would not secure worker loyalty. Nor would such propagation ameliorate workers' grievances against the working conditions when work conditions in the factories were known to be inadequate.[17] Coupled with their deprivation, workers felt helpless. Even the government was more concerned with accumulating wealth than creating a happy life for workers. After all, the individual welfare was hardly a matter of consideration. The sole recourse they could fall to was spontaneous strikes, which often ended with the dismissal and/or arrest of strike leaders and the unattained goal.

Under these circumstances, Takano Fusataro and a small group of intellectuals opened the Japan office of the Japan Knights of Labor,

[16] Evans, Jr. (1970: 111). "... Japan's industrial leadership ... always chose to follow the patterns of Japan's culture and history ..."

[17] Large (1981: 2). For example, in a Kobe match factory, the windows were built high along the walls so that rising phosphorus fumes could be removed without much good to workers. Still phosphorus caused the workers' faces to become swollen and white. Lead dust also caused damage to the bronchial tubes.

Shokko Giyukai, out of a humanitarian desire to help the workers relieve their grievances. *Giyukai* was devoted to education of workers about trade unionism. Consequently, in 1897, Takano and Katayama Sen formed the Association for Encouragement and Formation of Trade Unions, *Rodo Kumiai Kiseikai*, on the American Federation of Labor model whose federation structure encompassed trade unions.[18] Obviously, Takano had to modify the American approach to labor organization. Unlike the American tradition, the Japanese undermined efforts by individuals and groups on their own behalf. Therefore, the reason for change needed to be justified to benefit the entire nation. Takano correctly estimated that the modification should be genuine enough to command support from the prominent ideology in Japan while compromising enough to maintain the AFL financial support.

Two ideologies prevailed in the modern Japan: laissez-faire and state guidance. Many industrialists and some conservative bureaucrats favored laissez-faire on labor relations. However, their mystified 'beautiful' tradition of paternal care turned laissez-faire into a predatory capitalism without the regulation on employers' callous practices. When both workers and employers lacked experiences in handling labor relations under the new industrialization, state guidance was a reasonably favorable alternative.

The Social Policy School was the prominent supporter of this ideology in Japan.[19] Educated at the *Verein fur Sozialpolitik* (Social Policy School) in Germany, the founders of the Social Policy School in Japan rejected the neoclassical argument of an autonomous solution of labor problems. Most of all, the subhuman conditions under which workers were placed indicated that the present wages and working conditions were so inadequate that workers would be unable to support themselves as well as their offspring's. Social Policy scholars insisted on a policy of state-directed social policy if Japan wanted to prevent workers from turning their bafflement into violent strikes, revolution, class conflict or even from toppling down the capitalist system itself. All social policy

[18] Marsland (1989: 53). Samuel Gompers, president of AFL inspired Takano while Takano's stay in the United States.

[19] Marsland (1989: 56). It was founded in 1896 by intellectuals centering around Kanai En and Kuwata Kumazo, two prominent economics professors at Tokyo Imperial University. Takano Iwasaburo, Takano Fusataro's younger brother, was also one of the founding members. He was a graduate student at Tokyo University and later played a matchmaker between the Social Policy School and *Kiseikai*. Intellectuals in the Social Policy School were Takano's source of support, both politically and financially, in Japan.

scholars agreed on the need for the governmental legislation of working conditions and wage. However, there was a considerable disagreement over the role of unionism in Japan.

Takano Iwasaburo pointed out that union would rectify the disadvantaged workers' position against the employers. Workers were argued to reach consensus on their position through unions which would act as a mechanism for discussing the problems with employers. Then joint committees made up of representatives of workers and employers could resolve the conflicting matters. Many social policy argued against unions because unions could provoke radicalism and socialism. Being aware of the ideological climate in Japan, Takano Fusataro tried to find a middle ground between the AFL ideology and the Social Policy School ideology. First, higher wages would result in not only welfare of workers but also security of capitalism by maintaining the long-term supply of labor. Second, in so doing, higher wages would increase aggregate demand for goods, thus a more prosperous nation.

The tough task was to find a middle ground on the method to achieve higher wages. Collective bargaining as well as state intervention were accepted as mechanism to pursue higher wages. However, unions could serve as institutions for worker education, self-improvement and mutual assistance other than collective bargaining.[20] *Kiseikai* was a 'umbrella' organization to promote unionism, a 'trade union school' rather than a union itself. *Kiseikai* also published a journal, Rodo *Sekai* (Labor World) under Katayama Sen as a chief editor. Just as union leaders avoided confrontations with employers, Katayama set the policy of the journal 'not to engage in a divisive struggle against capitalists, but rather to perfect true harmony and cooperation.'[21]

Ironworkers' Union, Printers' Union, and Japanese Railway Workers' Reform Society were the most successful unions related to *Kiseikai*. The progress on labor organizations was made primarily in the new occupations where no prior workplace traditions existed. Equipped with the skills in high demand, these workers emboldened to seek enhancement of their life by wage increases as well as mutual assistance. Furthermore, an aggressive government armaments program called for an increase in employment in heavy industry as seen in

[20] Marsland (1989: 70). Takano's thinking is well expressed in "A Summons to the Workers," the pamphlet distributed to factory workers two months before the foundation of *Kiseikai*.

[21] Garon (1987: 17).

Table 2. The government's strategic expansion of the heavy industry created a shortage in skilled labor so that employers found it difficult to disregard unions completely. This change in bargaining position furnished workers with confidence that they would not lose their jobs or would have no problem in finding new ones elsewhere if they did. Knowing that the industrial boom created a labor shortage, yet seeing that employers strove to hold wages steady even when rice price rose, workers increasingly resorted to strikes whose number and intensity grew as seen in Table 3.

Although workers did seek higher wages and better working

TABLE 2. EMPLOYMENT IN HEAVY INDUSTRY, 1893~1898

year	total industry	heavy industry			percent of heavy industry
		private	government	total	
1893	297,100	9,800	9,600	19,400	6.5
1894	396,000	16,100	12,200	28,300	7.1
1895	435,800	16,800	15,300	32,100	7.4
1896	456,200	20,700	15,900	36,500	8.0
1897	460,200	15,300	16,800	32,100	7.0
1898	435,100	22,500	18,700	41,200	9.5

Source: Marsland, Stephen E. *The Birth of the Japanese Labor Movement*, p. 90.
* All figures are for workplaces of ten or more employees only.

TABLE 3. STRIKES, 1897~1898

reason	second half 1897		1898	
	strikes	workers	strikes	workers
wage increase	21	2,248	35	5,669
wage(other)	6	779	3	381
shorter hours	0	0	1	68
against foremen	1	155	0	0
about discharge	2	188	0	0
other	2	145	4	145
total	32	3,510	43	6,293

Source: Marsland, Stephen E. *The Birth of the Japanese Labor Movement*, p. 92.
* The only figures available are for second half of 1897 and for entire 1898.

conditions through strikes, they were also concerned with their social status and treatment by superiors which originated from the preindustrial era. For instance, the engineers and firemen of the Japan Railway Company staged the most spectacular strike, protesting the preferential treatment confined to salaried workers. In their pamphlet secretly distributed to JRC engineers, they wrote the following:

> "... The next matter is the reform of names. 'Drivers' should become 'engineers', 'driver's assistants' should become 'engineer's assistants', 'stokers' should become 'firemen', and 'clean-up men' should become 'janitors'. It is only natural for a driver, since he is an operative technician, to be called an engineer ..."[22]

Blue-collar workers also opposed the discriminatory treatment such as their kneeling on the floor while an assistant stationmaster issued instructions on a chair. These were surely sufficient reasons for discontent, yet their disposition clearly indicated that their attitudes were not totally detached from the preindustrial era. Concerned with an unfavorable reaction of the company, blue-collar workers sent a petition to various station officers.

Although the strike brought overall benefit to blue-collar workers, it was not based on a signed agreement nor a contract. The company unilaterally determined the course of decision and never recognized the representative body of workers, yet workers did not feel it necessary to challenge such an arbitrary decision. The workers' apathy caused an eventual downfall of three unions along with *Kiseikai*. First, they refused to pay their dues to unions so that all unions suffered from financial problems. Second, lacking loyalty to their unions, workers were unwilling to make personal sacrifices for the cause of unions. From the start, *Kiseikai* did not have sufficient influence within unions to control them so that unions were more or less independent. When Takano decided to compromise on the strike question and put aside strike as a last resort, he weakened the appeal of unionism to workers. Furthermore, his failure to embrace strikes as a direct way of higher wages and better working conditions enabled radicalists to capitalize on successful strikes. Thus the precarious position of moderate unionists failed to persuade workers to stand firm behind their unions.

The defeat of the factory act brought a drasticdecline in the

[22] Marsland (1989: 93).

membership as well as the withdrawal of support from the Social Policy School. In fact, Takano left his leadership position and put Katayama in charge of the movement. Katayama no longer advocated the harmony as the police harassment and the bureaucrat arrogance antagonized hi m.[23] His disposition toward socialism was even more strengthened by the Peace Police Act of 1900. Takano attempted to win over the Japanese government by showing how unionism could benefit an entire nation and enhance economic growth. Basically the government regarded labor movement as a possible obstacle to the government's industrial policy. The Peace Police Act was a product of such a distrus t.[24] It was a deadly blow to the young labor movement in that the next organized labor movement emerged some 12 years later.

THE MEIJI ERA 2: LABOR POLICY EMERGING AS A SOCIAL POLICY, PRE-WORLD WAR I

In spite of the convergence between business interest and the governmental aversion to organized labor, the proponents of factory legislation within bureaucracy increasingly supplemented their economic growth argument with social implication of labor policy, especially in the Home Ministry. One outstanding high civil servant is Goto Shimpei who was educated in Germany and an outspoken admirer of Bismarck's "state socialism." As a chief of the Bureau of Health and Sanitation, he and his staff investigated the advanced social policies of Europe. They also proposed for a workers' sickness insurance law, which was not approved by the Home Ministry within which the Bureau of Health Sanitation existed. Later Bureau officials focused on

[23] Marsland (1989: 112-5). Katayama's extreme militancy created division within the movement and expulsion from the Social Policy School.

[24] Marsland (1989: 136-7). Article 17: "No one shall commit violence or threaten others or publicly slander others for the purposes of the following paragraphs, or tempt and incite others for the purpose of paragraph two below: 1) In order to let others join, or prevent others from joining an organization which aims at collective action concerning conditions of work or remuneration, 2) In order to let the employer discharge workers, or to let him reject an application for work or to let a worker refuse an offer of employment with a view to organizing a lockout or strike, 3) In order to compel the other party to agree to conditions of remuneration." Article 30: "Those who violate Article 17 shall be liable to a heavy imprisonment of 1 to 6 months and in addition a fine of from 3 to 30 yen. The same shall apply to those who commit violence on, threaten, or publicly slander persons who have not joined the employer in a lockout or the union in a strike."

the implementation of a factory law to protect the health of workers.

Their efforts bore a little fruit in 1900 when the government established a temporary Factory Survey Office within the Ministry of Agriculture and Commerce. The Survey Office recruited social policy experts from within, the Home Ministry as well as prominent outside reformers such as Professor Kuwata Kumazo of the Social Policy Association and a journalist named Yokoyama Gennosuke. The official labor survey released in 1903 highlighted the social problem of child labor. It disclosed the widespread employment of children of age six or seven. While the Government was committed to creating an educated citizenry, such a disclosure brought frustration to the officials.[25] The survey also revealed the abominable work conditions in textile manufacturers and the consequent spread of tuberculosis throughout the factories and the country sides when sick girls returned to their village home.

The problems of workers were pressed into a social question as they were perceived to threat the health of the whole nation. The Bureau's health issue was substantiated by the Central Health and Sanitation Council, an advisory board of physicians and health officials which chaired the army's surgeon general. The Council warned the government of an 'inverse relation between the number of qualified conscripts and the development of commerce and industry.'[26] Aftermath of the Russo-Japanese War strengthened such a concern. As the victory of Japan over Russia raised her status in the world community and certainly in northeast Asia, Japan was determined to maintain her hegemonic position. The experience of the war contributed to the unification of the Japanese people.[27] It was natural that the Japanese military leaders dealt with higher standards in public health as a matter of national defense. The public health issue played a decisive role in uniting the government behind a factory bill.

In 1909, the second Katsura cabinet presented the new factory legislation to the Diet, which faced strong opposition from business

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[25] Garon (1987: 27). In an effort to raise the literacy level, the government extended compulsory education to six years in 1907.

[26] Graon (1987: 28). Evidence of the detrimental effects of factory work on the nation's military strength has been mounting since 1894.

[27] Ayusawa (1966: 89-90). The author exalted that it was the first non-white nation's victory over a renowned European power. He argued further that the spur of nationalism, a by-product of the victory of the Russo-Japanese War, later wielded its ideological influence to lead Japan into 'fateful adventures.'

associations and their supporters in the Seiyukai party. Although the parties were rarely engaged in direct framing of the factory legislation, their positions still affected the legislative outcomes. Two major political groupings dominated the Diet. In 1900, Ito Hirobumi and Saionji Kimmochi collaborated with the conservative group to found the *Rikken Seiyukai*, Constitutional Association of Political Friends. Its opponents remained fragmented: the *Rikken Kokuminto*, Constitutional People's Party; the *Chuo*, Central Club. Gradually these anti-*Seiyukai* forces gathered around Katsura Taro, Saionji's oligarchic rival.[28] In 1913, *Rikken Doshikai,* Constitutional Association of Friends was organized. The pattern of political competition finally shifted to two-party rivalry.[29]

Given the franchise restricted to a three percent of the total population, landlords, merchants, and industrialists dominated the electorate as well as the core of parties and bureaucrats as seen in Table 4. For instance, when the repressive Peace police Act was presented, there was barely any debate over Article 17. Nor did any party attempt to revise the controversial clauses for a decade. The social background of the politicians and the bureaucrats could be a reason behind this overwhelming consensus on the maintenance of law and order.

However, there existed a noticeable disagreement over the method to secure social stability. The *Seiyukai*-backed cabinets consistently opposed to factory legislation others because such a law would result in a depression in industry. As the majority party in the House of Representatives, the *Seiyukai* blocked the Katsura's first factory draft in 1910. When it was reintroduced the following year, the government had to postpone implementation of the ban on night work by women and children for fifteen years. This revised bill was further weakened by restricting application to factories hiring at least fifteen workers, not ten workers as in an original draft. Even after the Factory Law was enacted in 1911, the Seiyukai along with business organizations, particularly the Cotton Spinning Federation, lobbied to temporize the implementation for five years.[30] The *Seiyukai* leaders refused to take the government's responsibility to lessen social problems like labor relations. The party's

[28] Beasley (1990: 135); Garon (1987: 34). In the process of bringing the Genro under control, Katsura alienated himself from everyone. Taking advantage of Katsura's failure, the Seiyukai launched violent attacks on him in the Diet and succeeded in forcing Katsura to resign.

[29] Later in 1916, the *Doshikai* absorbed another small party and was renamed the *Kenseikai*, Association for Constitutional Government.

[30] Gordon (1989: 56).

TABLE 4. SOCIAL BACKGROUNDS OF PROMINENT HIGHER CIVIL SERVANTS, 1896~1947

father's occupation	number of bureaucrats	percent
top government officials	49	8.7
other government officials	31	5.5
judges and procurators	17	3.0
professors in gov't schools	25	4.4
public employees	28	5.0
government & public(subtotal)	150	26.7
military men	25	4.4
agriculture & forestry	134	23.8
brewing	16	2.8
commerce	55	9.8
industrialists	26	4.6
company staff	14	2.5
Diet members	20	3.6
doctors & lawyers	36	6.4
teachers	18	3.2
Shinto & Buddhist priests	10	1.8
nobles	12	2.1
artisans & workers	15	2.7
	31	5.5
total	562	100.0

Source: Garon, Sheldon. *The State and Labor in Modern* Japan, p. 79.

* The sample is confined to those born after 1871 whose fathers' occupations are clearly known.

president, Hara Takashi, expressed this laissez-faire political economy when he commented that the burden of poor relief lay with individuals.

The rival *Doshikai* supported a positive social policy and criticized the watered-down version of the Factory Law for protecting capitalists, not women and children. The party's greater support toward labor policy was based on two political leadership groups. One was veteran liberal politicians associated with the *Kokuminto*, the *Doshikai's* forerunner. This group led a movement to institute a parliamentary system against the Meiji oligarchy. The best known was Shimada Yokoyama who as

president of the Mainich shimbun published Yokoyama Gennosuke's revelations about Japan's lower class in 1899. The young Christian liberals were included such as Nagai Ryutaro and Uchigasaki Sakusaburo, the *Kenseikai's* leading force behind labor legislation in the 1920s. The other group was reformist ex-bureaucrats who promoted the Factory Law under the Katsura's cabinet. Goto Shimpei, Oura Kanetake, and Wakasuki Reijiro all entered the Doshikai at Katsura's request. With their administrative experience, these ex-bureaucrats provided the *Doshikai* with a firmer programmatic base.[31] However, social reformism within the *Doshikai* was toned down to the demands of the business community. Social legislation itself was supposed to supplement the much claimed paternal welfare measures provided by employers. The reformers still refused the right of the poor to public assistance. Instead, they promoted poor-relief campaigns out of private philanthropy. Thus, they perceived that the protective social policy could substitute for workers' organization.

Compared with the entrepreneurs of the Restoration period, the new management modernizers maintained that the Japanese unique employment relations were compatible with the law of supply and demand in the labor market. The old employers used to blame high labor turnover on the wickedness of the workers due to their ignorance about the link between labor shortage and labor mobility. The management modernizers went through their teens and early adulthood after the Meiji Restoration so that almost all of them were educated in modern institutions. Moreover, most of them traveled to the West to study or for business purposes. These factors contributed to their divergence from the old generation. Table 5 lists the 'managerial generation' of the modern capitalists. Whatever the motives were for these modern capitalists, they had a consensus on the compatibility of high wages and large profits. From the defeat of the first factory bill in 1898 to the implementation of the second factory bill in 1916, the qualities of employers improved and saw no contradiction between paternalism and the modern management such as creating new incentives with higher wages and better work conditions.[32]

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[31] Garon (1989: 38). Soon after Katsura's death, those who served him left the *Doshikai*. The party leadership passed to Goto's rival, Kato Takaaki who was a career diplomat and three-tie foreign minister.

[32] Large (1981: 9). By 1911, these modern capitalists recognized that a factory law would not necessarily undermine the goal of paternalistic relations in employment relations. However, the irony was that the Meiji labor movement became too closely

TABLE 5. MODERNIZERS OF EMPLOYMENT RELATIONS IN THE MEIJI JAPAN

name	firm	birth & death	education	culture contact
Heigoro Shoda	Mitsubishi	1847~1922	Keio Gijuku	Western tour
Teiichi Sakuma	Shueisha	1848~1898	Confusion schools	Christian
Hikojiro Nakamigawa	Mitsui	1854~1901	Keio & England	4 yrs. in England
Tsurukichi Hatano	Gunze Silk	1857~1918	secondary in Kyoto	Christian
Takuma Dan	Mitsui	1858~1934	M.I.T.	life in the U.S.
Toyoji Wada	Fuji Cotton	1861~1924	Keio & U.S.	life in the U.S.
Masaya Suzuki	Sumitomo	1863-1922	Tokyo University	Western tour
Sanji Muto	Kanegafuchi Cotton	1867~1934	Keio & U.S.	life in the U.S.
Aizo Soma	Nakamuraya	1870~1954	Waseda University	Christian
Tsunesaburo Suzuki	Nikko Copper	1873~1940	Keio & Harvard	life in the U.S.
Koyata Iwasaki	Mitsubishi	1879~1945	Cambridge Univ.	life in England
Magosaburo Ohara	Kurashiki Cotton	1880~1943	Waseda University	Christian

Source: Taira, Koji. "Factory Legislation and Management Modernization during Japan's Industrialization, 1896~1916." *Business History review* 44, p. 98.

As the industrialists were undergoing the cognitive modernization, so were the workers in an ever expanding industrial production. First, this expansion yielded a growing number of wage laborers.[33] Second, the expansion of industry resulted in the expansion of cities and of commerce. Consequently, the size of the urban petite bourgeoisie such as retail shop owners, wholesale enterprises and small factoryowners increased. They lived in the same neighborhoods as the wage laborers. These men paid taxes, yet a small proportion of them were eligible to vote. As taxation without ample representation began to irritate these men, they shared political attitudes of suspicion and opposition to the government. Third, the wage laborers increasingly became literate through higher education. The more literate workers were assets to the leaders of the organized labor because communication between them was more effective.

The Russo-Japanese War brought the cost of war as well as nationalist enthusiasm to the Japanese laymen. First, the tax burden on city

associated with radicalism to fit in smoothly with the modern managers.

[33] Gordon (1989: 20). In fact, the industrial work force doubled in size between 1900 and 1914, from around 400,000 to 853,000.

TABLE 6. WAGE LABOR BY SECTOR, MINAMI KATSUSHIKA COUNTRY, 1911~1930[b]

sector	1911		1919[a]		1924		1930	
	number	percent	number	percent	number	percent	number	percent
textiles	15,000	83	22,200	60	20,100	55	12,900	42
metal mach	9,800	5	7,000	18	7,100	19	7,100	25
chemical	12,000	7	6,000	16	6,000	16	6,900	22
other	9,900	5	2,000	6	3,500	10	3,300	11

Source: Gordon, Andrew. *Labor and Imperial Democracy in Prewar Japan*, p. 88.

a. The 1919 data include factories with fewer than five workers, thus the figures are slightly inflated.

b. All the other data are for factories of five or more workers.

dwellers increased due to the war bonds with which the government financed the War. Besides, special sales taxes were imposed on sugar, food oil, salt, tobacco, wool, soy and sake.[34] Naturally, the tax question became a major concern of the urban residents. Second, the imperial expansion stimulated growth in heavy industry which had a tradition of protest over wage and work conditions. This trend concurred with the proportional decline in textile industry which lacked participation in the organized labor movement as seen in Table 6. The shift in the composition implicated the increasing intensity of the protest. Third, with higher education, factory workers were a part of urban political culture which laid claim to the political status and rights as a human entity. As the commitment and sacrifice of the people made the imperial expansion possible, the wishes of the people should be respected in the political process. In this context, the war rallies were seen as political gatherings as seen in Table 7.

These popular assemblies were fully taken advantage of by the proponents of the popular rights cause. Some of these wage laborer and the urban poor eventually formed a political force independent of the bourgeois party movement. Having gone through the period of submersion for a decade after the disintegration of the *Kiseikai*, the labor movement started in an atmosphere of 'apprehension and insecurity.'[35] Suzuki Bunji founded the *Yuaikai* along with five machinists, two electricians, three street sprinklers, one tatami maker, one milkman, and

[34] Gordon (1989: 23). The proportion of state revenue raised by special sales taxes double from 6.5 percent before the war to 12.6 percent in 1907.

[35] Large (1981: 12).

TABLE 7. POLITICAL ASSEMBLIES, 1885~1919a

five year period	total assemblies	annual average
1885~89[b]	187	37
1890~94[b]	2,340	468
1895~99[b]	556	111
1900~04[c]	1,015	203
1905~09[c]	781	156
1910~14[c]	1,218	243
1915~19[c]	2,344	469

Source: Gordon, Andrew. *Labor and Imperial Democracy in Prewar Japan*, p. 343.
a. 1883~84 figures are dropped for a comparison. Total assemblies are 170 and average, 85.
b. All figure prior to 1900 are for "political assemblies."
c. Figures from 1900 on are for "assemblies requiring permit." The appellation is believed to be changed due to the Public Peace Police Act adopted in 1900.

one lacquerware worker in the midst of the national mourning of the death of Emperor Meiji. In order to evade the governmental crackdown, he made the new organization resemble a brotherly mutual-aid group for workers. The name, *Yuaikai*, the Friendly Society, conveyed such efforts[36]. The *Yuaikai* platform adopted at its first meeting hardly resembled a labor manifesto.

1. We will strive to reach the goal of mutual aid in friendship and cooperation with one another.
2. We will strive to enlighten ourselves, cultivate virtue, and advance our skills, in accordance with the ideals of society.
3. We will strive to improve our status with sound programs, depending upon the strength of cooperation.

In so doing, the *Yuaikai* tried hard to gain public acceptance as a moderated, nonpolitical labor organization seeking to serve the national interest by enhancing the life of workers. Suzuki started the movement out of Christian humanitarianism whose primary mission was to develop and promote labor unions. He felt it urgent that the working class should develop a class consciousness, that is, a sense of common

[36] Large (1981: 11). Suzuki explained that 'Friendly Society' originated from the British Friendly Societies. They were workers' mutual-aid organizations in order for trade unions to escape the prohibition when trade unions were illegal.

interest and obligation to fellow workers. In due time, he planned to convert a mutual-aid society into a pure labor union movement.[37]

The *Yuaikai* received support from the Christian church and the Japan Social Policy Association. The link to the Association helped Suzuki apply social reformist principles to the *Yuaikai* programs. According to the social reformism, capitalism brought Japan not only wealth and power, but also the capitalist system produced hardship to workers. The grievances of workers against capitalists might turn violent, thus threatening the continuous progress in Japan. According to Professor Kuwata Kumazo of Tokyo Imperial University, solutions to these social problems could be found in social reformism as an alternative to laissez-faire or socialism.[38] Social policies based on social reformism were intended to eliminate the seeds of social strife and strengthen the political structure. In this context, Suzuki started the *Yuaikai*, promising to pursue reforms on behalf of the workers. The *Yuaikai,* unlike the Kiseikai, succeeded in its appeal to the workers with its commitment to improving the lot of workers.[39]

By June 1913, the *Yuaikai* expanded from afifteen-member organization into one with 1,295 members. By the end of 1915, the membership grew to be 7,000 and by April 1917, it claimed more than 20,000 members.[40] One key to this growth was the resourcefulness of its leaders. Suzuki, a graduate of the law faculty at the Tokyo Imperial University, proved to be adept at enlisting the aid of able men as organization leaders and of prominent industrialists such as Hirano Ryosuke, owner of the Hirano Ironworks Company, Shinzo Yoshio, Director of the Industrial Section of Tokyo Electric Company, and Oe Futo, President of the Oe Printing company. Suzuki also used the advisors and counselors to educate *Yuaikai* members.[41] By enlisting the

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[37] Large (1981: 17).

[38] Large (1972: 20). Kuwata claimed that there were three types of social policies. First, social policies by the state such as a factory law and labor insurance law. Second, social policies by charity such as the programs of the Salvation Army. Third, social policies by a group of individuals such as social reformist labor unions.

[39] Gordon (1991: 98-9). As the *Yuaikai* was geared toward social policy reform, its simple promise of recognition and respect bolstered the position of organizers as community leaders. For instance, the union magazines listed all new members. All members were welcome to take the stage at union gatherings.

[40] Large (1981: 18).

[41] Large (1972: 30). The advisors included Professor Kuwata Kumazo, Ogawa Shingejiro, an adviser to the Home Ministry on prison affairs, and Soeda Juichi, President of the Industrial Bank of Japan. Those scholars from the Social Policy Association served

services of the prominent, Suzuki attempted to convey an impression that the Yuaikaiwas a social reformist group willing to work for progressive changes within the framework of the present structure.

In addition, the attitude toward labor relations became flexible in this period. Although paternalism remained the predominant approach to employment relations, many employers were willing to innovate their factories, even to grant concessions on workers' right to form a mild union for the sake of harmony with workers. The politicians, despite their hesitation to accept the workers' right to voice their opinion, did manage to express their concern with wage laborers and identify the labor relations as social rather than economic problems. Thus, the Factory Law was finally approved in 1911 although its implementation was delayed until 1916. But most of all, the growth of the labor movement was facilitated by the World War I. Industrial boom and its consequent inflation intensified the perceived gap between workers' real wages and the nation's prosperity. The sentiments of relative deprivation lay behind the unprecedented surge of labor disputes and strikes in the World War I period.[42]

THE TAISHO DEMOCRACY: IMPERIAL DEMOCRACY

Japanese industries experienced an enormous boom from orders made by the Allied powers and the former Asian markets of the belligerents in spite of Japan's limited role in the World War I.[43] Industrial expansion, disproportionately concentrated on heavy industry, doubled the number of workers from 950,000 in 1914 to 1,612,000 in 1919. In the midst of wartime inflation and the high demand for skilled labor, more and more men resorted to strikes in order to win higher wages. This surge in strikes coincided with another local detrimental popular unrest, the rice riot of 1918, as seen in Table 8.[44] Involvement of the *Yuaikai*

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the *Yuaikaias* counselors. These included Takano Iwasaburo, Horie Kiichi, Adachi Kenzo, and Kanda Koichi.

[42] Large (1972: 19). One labor activist named Kagawa Toyohiko remarked that 'while the capitalists have the right to play and eat wrapped in silk kimonos, the workers who toil naked should have the same right.'

[43] Ayusawa (1966: 118). During the World War I, 65 million men were mobilized. Japanese contribution was 800,000 while the United States sent 4.35 million men and France, 8.41 million men. The United States had 126,000 deaths and France, 1.364 million deaths while 300 Japanese men were killed.

[44] Garon (1987: 40-41). The first disturbance occurred in late July 1918 in a Toyama fishing village, where women resisted the shipment of scarce rice to Osaka. Rioting broke

TABLE 8. INDUSTRIAL STRIKES AND RICE PRICES, JULY 1918-DECEMBER 1919

1918	# of strikes	rice price (yen/koku)	1919	# of strikes	rice price (yen/koku)
July	42	30.39	April	15	39.19
Aug	108	38.70	May	16	42.40
Sep	47	38.23	June	44	44.10
Oct	34	43.91	July	106	47.85
Nov	12	39.77	Aug	115	49.56
Dec	9	40.58	Sep	38	51.26
1919 Jan	15	40.94	Oct	38	51.06
1919 Feb	19	40.86	Nov	46	52.20
1919 Mar	15	37.30	Dec	30	53.87

Source: Garon, Sheldon. *The State and Labor in Modern Japan*, p. 40.

branches in the major strikes irritated the conservative Terauchi government as well as industrialists. Thus industrialists dismissed *Yuaikai* members while the government arrested strikers. In spite of these dismissals and dissolutions, the *Yuaikai* attracted record numbers of new members and a consequent increase in numbers of unions as seen in Table 9.

Another important factor aiding the rise of organized labor was the international influences. Japan attended the Paris Peace Conference as the only non-Western nation as one of the Principal Allied and Associated Powers. The Conference appointed "Commission for International Labor Legislation" and authorized the creation of the International Labor Organization, to which ILO members agreed to send a representative of the nation's workers. In a changing world, Japan as a great power was expected to stand 'at the dawn of a new democratic age.' In accordance with the world trend, the *Kenseikai* introduced a bill demanding for a revision of the Public Peace Police Act in order to broaden workers' rights to strike and form unions. This effort was in part instigated by Japan's enthusiasm to insert a racial-equality clause into the Covenant of the League of Nations. Although the proposed

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out throughout Japan and angry consumers looted the shops of rice merchants. Among the protesters were included factory workers and miners on strikes for better pay. These demonstrations rarely demanded political change, yet the alarmed Terauchi government dispatched troops to put down riots.

TABLE 9. SPREAD OF TRADE UNIONS AND LABOR DISPUTES, 1911~30

year	unions		disputes	
	number	membership	number	participants
1911	32	n.a.	22	2,100
1912	37	n.a.	49	5,736
1913	43	n.a.	47	5,242
1914	49	n.a.	50	6,904
1915	53	n.a.	64	7,852
1916	66	n.a.	108	8,418
1917	80	n.a.	389	57,309
1918	91	n.a.	417	66,457
1919	162	n.a.	497	335,225
1920	273	n.a.	282	127,491
1921	300	103,412	246	170,889
1922	387	137,381	250	85,909
1923	432	125,551	290	68,814
1924	449	175,454	333	94,047
1925	490	234,000	293	89,387
1926	488	284,749	495	127,491
1927	505	309,493	383	103,350
1928	501	308,900	393	101,893
1929	630	330,985	576	172,144
1930	712	354,312	907	191,834

Source: Ayusawa, Iwao F. *A History of Labor in Modern Japan*, p. 154.
* Figures for union membership from 1911~1920 are not available.

revision failed to pass in the Lower House due to the majority of the *Seiyukai*, the *Kenseikai* did believe genuinely that Japan was beginning to face a Western-style crisis in social relations. Without doubt, the organized labor movement benefited tremendously from such contemporary perception of Japan's position in a changing world.

The *Seiyukai* and *Kenseikai/ Minseito* parties agreed on a basic ideological framework in that a parliamentary government with a certain degree of

popular participation would best serve Japan's political stability and economic growth as well as party's interest in contesting for power. The politicians became convinced that a unilateral bureaucratic rule or a simple repression combined with paternalism could no longer warrant such causes. However, two parties showed their divergence on the practical issue of how much popular participation would guarantee the maintenance of social order. First of all, they disagreed over whether Japan should maintain a democracy of the propertied, or expand the franchise to all men, even including women, as seen in Table 10.[45] Second battle was over the labor union bills, a much more heated issue than the universal suffrage. Both parties explored their policy implementation when they alternated power between 1918 and 1932. The Seiyukai produced a conservative version of imperial democracy while the Kenseikai/ Minseito produced a liberal version of imperial democracy.

TABLE 10. CAREER AFTER RETIREMENT FROM THE HIGHER CIVIL SERVE HOME MINISTRY VS. AGRICULTURE AND COMMERCE/INDUSTRY MINISTRY, 1918~31

career	Home Ministry (vice-ministers & Social Bureau directors)	Agriculture and Commerce Ministry (v-m & Industrial Bureau chiefs)
big business	0	5 (50%)
higher admin posts[a]	6 (50%)	4 (40%)
party activists	5 (42%)	1 (10%)[b]
House of Peers	1 (8%)	0
total	12 (100%)	10(100%)

Source: Garon, Sheldon. *The State and Labor*, p. 81.

a. Home Ministry retirees typically became colonial administrators or ministers in nonparty cabinets. Former vice-ministers of Agriculture and Commerce Ministry occasionally headed government- sponsored associations of agricultural cooperatives or fishermen.

b. Two, if one includes Tanaka Ryuzo, who was also managing director of Fujita Mining.

[45] Gordon (1989: 57). In fact, the shadowy policy division between the *Seiyukai* and the *Doshikai/ Kenseikai/ Minseito* had appeared in the process of the factory law struggle although anti-Seiyukaiforces remained fragmented until many of them joined in the Doshikai at Katsura's request. Along with the bureaucratic division in social policy between the Home Ministry and the Justice Ministry, the party division contributed to elite pluralism on the labor union issue in the 1920s. Interestingly, the Agriculture and Commerce Ministry, at first, sided with the *Doshikai*, but changed its side to the *Seiyukaiin* the 1920s as its primary practitioners in the economic world were managers of large heavy industry. Their different attitudes toward business reflected the kind of jobs sought after their retirement as seen in Table 10.

The *Seiyukai* was in power from 1918 to 1922, from 1927 to 1929, and from 1931 to 1932. Hara Takashi's cabinet introduced several new social policies under the direction of Tokonami Takejiro, Minister of the Home, all aiming to restore social order and harmony. Under the cabinet of Hara, Japan was committed to the participation in the International Labor Organization. Hara reinterpreted the anti-strike, anti-union clauses of the Public Peace Police Law by giving directions to local police to tolerate peaceful unions and strikes. Accordingly, arrests made under the law decreases from 1919 as seen in Table 11.

Tokonami was influential in founding the *Kyochokai*, Harmonization Society, which was an officially supported brain trust studying social problems such as labor-capital conflict. It played a crucial role in coordinating labor policies of the bureaucracy and the business. In order to deal with unemployment and other social problems, the Home Ministry created a Social Bureau in 1922. When the first serious discussions of a union law occurred, Hara and the *Seiyukai* eventually

TABLE 11. STRIKE-RELATED ARRESTS UNDER ARTICLE 17 OF THE POLICE REGULATIONS, 1914~26

year	strike participants	total arrests	Article 17 instigation	other clauses[b]	other charges
1914	7,904	32	18	0	14
1915	7,852	65	9	55	1
1916	8,413	59	30	10	19
1917	57,309	174	104	34	36
1918	66,457	1,965	159	197	1,609
1919	63,137	536	58	61	417
1920	36,371	378	131	54	193
1921	58,225	634	16	68	550
1922	41,503	213	6	37	170
1923	36,259	237	11	10	216
1924[a]	54,526	383	26	54	303
1925[a]	40,742	331	0	17	314
1926[a]	67,234	993	0	0	993

Source: Garon, Sheldon. *The State and Labor*, p. 252.

a. Figures for 1924~26 include slowdowns.

b. Other clauses include the application of the 'instigation and incitement' clause and Article 17, in general, in tandem with other laws.

rejected the union legislation and instead sought to encourage industrialists to solve their employment problems with 'vertical company unions' and 'works councils.'[46] Tokonami was a major figure in drafting the Works Council Bill in 1919, which Hara withdrew in the face of criticism from industrialists appalled by any compulsory program. Such efforts were intended to calm labor unrest without recognizing an independent labor organization. Although the Bill was never enacted, the conservative *Seiyukai* came to a belief that positive policies were crucial in taming aggressive labor and that simple repression would never do the job.

The new orientation of the Hara government was even extended to other social policies. For instance, a special committee was set up in the Agricultural Ministry to investigate reform of tenant farming. The result was a draft establishing rights to tenancy, yet the *Seiyuka*i temporized the draft, which provoked fierce landlord opposition. Another instance involved a limited reform of the prohibition on women's participation in political assemblies, though not associations. The major change involved the extension of legal participation in politics. Hara supported a lowered property tax qualification for suffrage, but he opposed universal suffrage for males in 1919. The shortcomings of the conservative liberalism manifested themselves in the refusal of rights in the part of the propertyless. This was the democracy for the landed elite and the bourgeoisie which encouraged corporate paternalism and ensured it by repressing any independent movement. Preoccupied with the prosecution of the extreme radicalism, the conservative conception of imperial democracy ignored the social causes behind the outbreak of aggressive manifestation of social problems.

The conservative version of imperial democracy articulated by Hara and *Tokonami* yielded to a more liberal framework of elite social policies from 1924 on. After witnessing the growing labor militancy, the *Kenseikai* became convinced that only a union law and protective legislation could reduce the sources of radicalism among workers.[47] The

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[46] Gordon (1989: 58). Hara's government promised to provide a favorable context by repressing any radical union efforts which went beyond the company' union framework.

[47] Garon (1987: 70). In the spring of 1920, the Japanese economy began to experience a post war recession and growing unemployment. As the bargaining position of organized labor declined, dismissals and wage reductions were widespread. Although the number of strikes decreased during this period, the strikes themselves became longer, larger, and more violent. In the meantime, many union leaders became skeptical of working with the bourgeois parties. Increasingly, radical components grew within the

'new men', middle-level bureaucrats in the Home Ministry's Social Bureau promoted a wide array of political and social reforms. They aimed to incorporate labor and stabilize social order through remedial legislation such as national health insurance, a stronger factory law, unemployment insurance, and a union bill. The Kato cabinet carried out several measures which the Hara cabinet shelved. The size of the bureaucracy was reduced by 20,000. Military expenditure was cut to 30 percent of the national budget from 40 percent a few years before. The Tenant Dispute Mediation Law was enacted to protect tenant farmers. The Universal Manhood Suffrage Act gave the vote to all males over 25, increasing the size of the electorate from three million to thirteen million.[48]

In spite of their opposition to all of these measures, the *Seiyukai* and the *Doshikai/ Kenseikai/ Minseito* shared a fundamental ground: imperial democracy. These party members and their bureaucratic allies agreed on supporting empire and the capitalist foundation. They also concurred that parliamentary government was desirable to secure these ends. Therefore, these elites had a consensus on the boundary for tolerable political thought and action.[49] The passage of the Peace Preservation Law was a demarcation of the elite pluralism from the democratic pluralism. Organized labor, unwittingly, contributed to the adoption of another police regulation.

Since his two trips to the United States, Suzuki shifted his tone on the labor movement. Instead of harmony and cooperation between labor and capital, he adopted the theme of conflict. Modeled after the American Federation of Labors, Suzuki reorganized the *Yuaikai* headquarters. The departments were subdivided into specialized sections. One notable change was the establishment of a Women's Department and the publication of a journal, *Yuai fujin*, in an attempt to appeal to the large number of female workers. In 1917, female workers were given full status as regular members.[50] Realizing the

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labor movement. Instead of working through the parliament, these syndicalist labor organizers promoted direct actions.

[48] Gordon (1989: 141). Women's groups pressed for the right of political association, the right to vote and the right to hold regional or local public office. Several legislations were submitted to the Diet, in which the Lower House approved them, but the House of Peers kept opposed to the passage of the legislation.

[49] Gordon (1989: 142). Attack on the emperor system was a capital offense while repudiation of the system of private property was punishable by up to ten years in jail.

[50] Large (1981: 72).

paucity of craft union tradition, the *Yuaikai* promoted trade unions, which would promote workers' status as equal to that of industrialists. At the same time, Suzuki began to speak about conflict in labor-capital relations. He was in no way an advocate of violence. The usage of a term 'conflict,' however, created misunderstanding and apprehension on the part of industrialists and the government.

What Suzuki meant by conflict was not a class warfare nor a sabotage of the industry by workers, but a confrontation with the industrialists in the course of encouraging the development of labor unions. Unless the industrialists accepted workers' right to organize, and bargain as equals, the workers could not be expected to remain submissive for long. Because of the industrialists and the government's refusal to recognize workers as equals, the workers themselves should initiate change. In fact, the reason for the growing violence in labor disputes resulted from the lack of the government's commitment to the labor legislation. Suzuki argued that the moderate labor unions such as the *Yuaikai* could prevent many workers to fall under the influence of radicalists and socialists.

In essence, Suzuki was a social reformist working within the boundaries of the existing order. The *Kenseikai*'s decision to draft an integrated program of labor legislation concurred with Suzuki's argument. Egi Tasuku, Minister of the Justice, claimed that the recognition of labor unions would create a legally responsible group of union officials who would curb their members' tendencies toward reckless strikes.[51] However, the instigation of conflicting relation between labor and capital also provoked the antagonism workers developed over the failed parliamentary labor legislation. To many industrialists, the *Yuaikai* was believed to lie behind the growing militancy of labor unions. In the latter half of 1920s and the early 1930s, even the minority of the industrialists sympathetic to the moderate labor unions shunned away. Their withdrawal of support for the legal labor organization accounted for the repeated defeat of the labor union bill in the Diet.

As industrialists underwent the struggle over the factory legislation, they were motivated to join hands in political battles. The most important group was the Japan Industrial Club dominated by *zaibatsu* firms. The Japan Association of Economic Federations was the second major, national business association. While the Industrial Club played a

[51] Garon (1987: 67).

greater role on labor issues, the Economic Federations focused on financial matters. Both organizations represented zaibatsu interests. Occasionally, small and medium enterprises indicated that the majority would tolerate moderate trade unions. Several local industrial federations also supported the mild labor legislation.[52] They agreed that the only way to bring order to a situation of hostility was by recognizing labor unions. Taking advantage of this division within the business world, the liberal *Kenseikai* government passed both Health Insurance Union Bill and the revision of the Factory Law.

Thediversity of business, bureaucracy, and the political party approaches to the labor issues reflected the pluralistic structure of the Taisho Imperial rule. However, the workers themselves had no means to participate directly in politics even after universal male suffrage in 1925. The *Sodomei*, renamed *Yuaikai*, remained outside of the window looking in the house of politics.

CONCLUSION: THE LIMIT OF LIBERAL "ELITE DEMOCRACY" IN MODERN JAPAN

The failure to block the Insurance Bill and Factory Law revision alarmed industrialists. The Industrial Club gathered efforts to force the *Minseito* to capitulate by threatening that the union bill stood in the way of continued industrial support for the cabinet's economic policies. Through intensive lobbying in the Diet, their effort bore a fruit in the House of Peers. One interesting fact was that the labor movement itself proved unwilling and unable to substantiate the cabinet's liberal legislation. The political impotence of the organized labor resulted from internal disunity due to the preoccupation with ideological purity. While the industrialists presented a united front in the battle of the Diet, the labor union movement became fragmented into right-wing, centrist, and left-wing blocs. The Industrial Club even convinced the public that labor unions with their factionalism were destroying Japanese social order as well as industry.[53] Despite the *Minseito*'s overwhelming majority in the Lower House, the union bill was defeated in the House of Peers as seen in Table 12.

Unlike universal manhood suffrage, the union bill failed to draw a

[52] Gordon (1989: 611). The Osaka Industrial Association and the Tokyo Federation of Business Associations were sympathetic to the cause of labor unions. The Electric Power Industry Association also showed willingness to tolerate labor unions, at least until 1930.

[53] Garon (1987: 177).

TABLE 12. ELECTORAL PERFORMANCE IN GENERAL ELECTIONS, 1920~30

year	*Kenseikai*		*Seiyukai*		*Seiyuhonto*	
	seats	percent	seats	percent	seats	percent
1920	110	24	278	60		
1924	152	33	102	22	111	24
year	*Minseito*		*Seiyukai*		Proletarian parties	
1928	216	46	217	47	8	2
1930	273	59	147	37	5	1

Source: Garon, Sheldon. *The State and Labor*, p. 138.

widespread public support. Even the labor unions themselves could not convince the public that the workers' right to organize unions was important. According to Garon, the fifty-ninth Diet under the Hamaguchi and the subsequent Wakasuki cabinets marked the end of the decade of liberal reform.[54] In addition to the now unified organization of business, the National Federation of Industrial Organizations, the Great Depression discredited Hamaguchi's bold proposals on the legal recognition of labor unions. With the increasing incidence of rural poverty and failing small businesses, the politicians and the bureaucrats shifted their attention to the relief of farmers and shopkeepers who formed over half of the population. The liberal reform was further stymied by the Manchurian Incident when the Imperial army occupied southern Manchuria, defying the cabinet.

In conclusion, the Meiji Japan was a labor surplus economy in which the balance of power belonged to the owners of the scarce capital and land resources, not to the owners of abundant labor resources, the workers and the tenant farmers. Thus, their grievances were dealt with as an economic problem. Even the workers themselves were not conscious of their right to a decent human life. However, the advent of large-scale wars contributed to the advancement of the bargaining power of the workers, especially with skills in high demand. The tightening of labor market empowered the skilled workers in their demand for higher wages and better work conditions. In this context, the strikes and disputes were evidence of the ongoing shift in economic power.[55]

[54] Garon (1987: 184).
[55] Napier (1982: 344).

According to W. Arthur Lewis, economic development leads to the reallocation of rural-base workers to urban-based manufacturing sector.[56] The surplus of labor supply motivates employers to provide the subsistence-level wage. This low wage encourages industrialization and capital formation. However, there comes a turning point when the supply curve of labor starts to rise and competitive wage determination takes over. Japan had this turning point in the aftermath of the World War I. During this period, Japan experienced a bulge in real and nominal wages as well as the change in consumption patterns. This bulge in wages is an evidence that the labor surplus stage of Japanese development ended with the World War I. The changes in wages and consumption pattern are shown in Table 13 and Table 14.

The modern managerial industrialists managed to link higher wages with higher productivity and larger profit. Yet they failed to grasp the rights of wage laborers as being equal to theirs. In this respect, the Japanese middle class failed to sustain the trend toward democratization. Although being the prime mover of democratization, the Japanese middle class remained hesitant to recognize the human rights of workers, the propertyless. Therefore, when they did manage to start a truly liberal reform, they found that the external factors hindered their effort toward the progress of democratization. It was their hesitation that brought the end to the liberal democracy which they initiated.

TABLE 13. LONG TRENDS IN WAGES, 1917~1930

year	wages		year	wages	
	nominal	real		nominal	real
1917	41.8	54.4	1924	112.7	86.7
1918	53.7	51.9	1925	115.7	87.9
1919	79.1	57.4	1926	117.9	93.9
1920	104.5	72.6	1927	115.7	93.5
1921	106.7	80.8	1928	117.9	99.1
1922	112.7	86.7	1929	117.2	100.9
1923	109.0	84.6	1930	106.0	101.5

Source: Garon, Sheldon. *The State and Labo*r, p. 249.

* The average wage of male and female workers in manufacturing, when 1934-36 level is put to 100.

[56] Lewis (1955/2003).

TABLE 14. TRENDS IN THE COMPOSITION OF PERSONAL CONSUMPTION EXPENDITURES IN PREWAR JAPAN, 1874~1940

item	1874~83	1896~1906	1917~26	1931~40
food	67.5	63.7	58.9	49.5
clothing	7.9	8.2	12.8	12.9
housing	7.2	7.9	8.6	12.4
heat/light	5.5	3.0	4.0	4.4
health	3.8	3.8	3.7	5.7
transportation	0.2	1.3	2.6	3.5
correspondence	0.1	0.3	0.4	0.7
social expense	5.8	7.7	3.4	2.9
entertainment	3.9	4.1	5.6	8.0

Source: Patrick, Hugh. *Japanese Industrialization*, p. 38.

* The figures are percent.

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