Tanaka Kakuei the Shadow Shogun

Some politicians attain greatness by their achievements, others for their astute decision-making, or simply by being in the right place at the right time. Tanaka Kakuei was all of these. He was the Shadow Shogun, the principal “fixer” in the circles of policy-making, indirectly touching the lives of millions through his throne in Mejiro. He used his power and networks to cut across bureaucratic and political divisions, ever the astute helmsman of the Japanese political machine, pulling strings and directing the flow of activity and resources. He was Tanaka the Tycoon: a man who rose from humble beginnings in Niigata to build a construction and business empire, which would become the basis for his political machine. Few distinctions could be made between Tanaka the consummate politician and Tanaka the business tycoon, with the flow of money sustaining his political support base, business, personal and political networks. Incriminated for corruption in the Lockheed scandal, his spectacular fall from grace, is still without parallel in Japanese politics. For Tanaka, money, people and power were the currency he understood and traded in. These would form the basis of the Tanaka Gundan (army), an formidable political force which outlasted Tanaka’s grip on power and would only be smashed by one of its own, Tanaka’s trusted lieutenant, Ozawa Ichiro.

Tanaka’s life, his influence on the political landscape and the legacy of his actions render any account of Japanese political economy, incomplete without mentioning him. This article attempts to provide a brief overview of this in the following four sections.

Tanaka the computerized bulldozer.

Born in a poor farming family in Niigata, Tanaka made his fortune in the chaos of WWII. His construction firm received funds from the imperial army to build an aircraft factory in Manchuria, but this was cut short by the end of the war before the project could commence. Upon his return to Tokyo, he married a widow whose deceased husband had extensive interests in the construction sector. This allowed Tanaka to tap into the post-war reconstruction and recovery boom. Tanaka profited immensely during this period, amassing his fortune. Although Tanaka would subsequently sell his construction company, Tanaka’s political fortunes would remain inextricably intertwined with construction.

Tanaka’s constituency, Iwate prefecture, was part of Ura Nihon, the inland, predominantly agricultural areas which constituted the political and economical periphery. Places where food, natural resources and people were exploited by the economic cores of Omote Nihon (Kanto and Kansai). Iwate was left behind by the rapid development and growth that followed WWII and faced threats of depopulation, with its underdeveloped infrastructure making it difficult for it to attract investment. It received few subsidies and was ignored by the policymakers in the core areas. This made it impossible for Iwate to break out of the cycle of crushing poverty. Residents resented the oppressive hand of bureaucracy as much as they resented the mountains and heavy snowfall that seem to curse them to their harsh, bitter existence in poverty.

Tanaka understood this better than anyone. Partially as a native son of Niigata, Tanaka’s own humble beginnings seeking his fortune in Tokyo, and his amazing rag to riches story stood as a defiant testament to the core’s exploitation. Partially as a politician; Tanaka’s honed political instincts of astuteness and shrewdness led him to capitalize on this. Tanaka built his gundan upon this. Tanaka’s nickname as the computerized bulldozer arose out of this tenacity and tenuity — the tenacity to pursue and fight the bureaucracy for projects to improve the welfare of his district and the tenuity to keep asking for more; to pursue ever more ambitious and expensive projects. He would tirelessly fight for infrastructure development in his ward. In doing so, Tanaka accumulated a vast material fortune, social and political capital. Tanaka would use these to further and extend his networks of political control, within his party, across the opposition; fulfill his promises to the electorate and benefit favoured construction and industrial sectors with his political patronage and awarding of contracts. Simply put, the rise of Tanaka the politician was inextricably tied to the flourishing of Tanaka the tycoon and continued increases in the allocation of public funds for Niigata’s development.

The agency (role) of the computerized bulldozer is sine qua non for understanding Japanese political economy as his political career epitomizes the nexus of interactions between the iron triangle, the construction-state and ‘pork-barrel’ allocations by politicians. The gundan which he created, is the physical manifestation of all of these processes in operation; the efficient functioning of this political machine which allowed him to behave as the supreme arbiter; the shadow shogun whose words wielded the power to shape and reshape the landscape of Japanese political economy.

Kaku-san and the rise of the construction state.

The rise of Tanaka ‘the computerized bulldozer’ first happened in his hometown prefecture of Niigata. Using development projects as a means of winning votes, Tanaka would bulldoze his way through the Tokyo bureaucracy, fighting for projects to benefit his constituency. He would hound bureaucrats to ensure that a bridge would be built or a road or a tunnel that his constituency needed, would be provided for in the annual plans or budgets that the ministries made. This garnered him social capital and political prestige among voters, who expressed their affection for their beloved bulldozer “kaku-san” in terms of votes, and he frequently trounced rival candidates in elections by huge margins.
Tanaka personified the patronage system and benefited unashamedly from it. With associates and close friends, he would acquire the land that was about to be developed, reaping huge profits when the central government acquired the land. His mistress would also serve as the front for shady land deals and transactions. Tanaka would also allocate construction projects to political contributors. For instance, contractors in Niigata acknowledged that it was impossible to participate in development projects unless they joined Tanaka’s Etsuzankai. Close business associates would also benefit from advance information on state policies which allowed them to position themselves in a way they could benefit from policy decisions. Tanaka’s patronage did not come without a price. Political contributions and support from grateful constituents and his business allies provided a stream of money which sustained Tanaka’s political life. This barely disguised opportunism and profit-making, led legendary premier Yoshida Shigeru to prophetically quip, “Tanaka is somebody who walks on the fence of prison”. His observation would prove right as Tanaka’s name would become synonymous with structural corruption in the aftermath of the Lockheed scandal.

This mingling of his public life as an elected politician and private life as a businessman extended to many other areas. For instance, his electoral support network was virtually synonymous with a transport company he owned, Echigo Kotsu. They shared the same executives, utilized the same company offices and acted as a site for Tanaka to conduct the political activities of his Etsuzankai (his political support group). Tanaka would utilize the good offices of the Echigo Kotsu to provide for his supporters with food and drink. His Etsuzankai would record the flow of contributions and serve as a crucial conduit between his supporters and his businesses. These overlapping business and political support networks provided Tanaka with a strong power base in Niigata, which supported him unwaveringly throughout his political career.

This core of development, personal and political benefits and money came to form the nucleus of the construction state. This would subsequently grow and expand in scale and scope during Tanaka’s term as premier through his ambitious plans to remake the Japanese archipelago and its policy of a free-spending state to develop, redistribute wealth and growth to the peripheral areas.

**Tanaka’s Gundam (Army Corps)**

Money and Tanaka’s astuteness as a politician would help to strengthen and broaden the reach of Tanaka’s political networks. Tanaka would use both of them to build a network of politicians loyal to him, coopt the opposition and often hostile bureaucracy.

Tanaka would use his wealth to build the social networks that allowed him to influence the policy-making process. For instance, connections to rally political support to struggling politicians, within the LDP and invited for dinner at the residence of a rival for the position of prime minister, Tanaka disgusted his host by his blatant politicking: giving a generous tip for the maid who served them dinner. Such was the measure of Tanaka’s generosity. Wealth served as a means to cultivate the gundan and ninko. Tanaka would provide funds, offer advice, or utilize his business outside of the LDP. Regardless of their political stance and position, Tanaka would cultivate their personal gratitude and loyalty to him. For instance, the political careers of Hatoyama Yukio and Ozawa Ichiro, received his support and assistance. Other politicians would receive gifts of money at occasions such as funerals and weddings. Tanaka would extend the same support even to opposition politicians. This helped to cultivate goodwill and prestige which allowed Tanaka to push and get his desired political objectives in the legislative arena. This created a network of politicians who were intensely loyal to Tanaka or in the very least, indebted to him in one way or another.

Tanaka did not hesitate to use his wealth to cultivate support networks among the bureaucrats as well. For instance, Tanaka would provide luxury goods and bonuses for top bureaucrats in the LDP and invited for dinner at the residence in which he was in charge of. Aware that the bureaucrats were given only modest stipends for overseas trips and expenditures, Tanaka would pick up the tab for their expenses and ensure that their needs were provided for. In part due to his personality, in part due to his political guile, Tanaka had a personal touch that would foster loyalty to him. For instance, a particular bureaucrat recalled how Tanaka was unlike other politicians in the way that he would remember the names of the bureaucrats who worked hard to implement a particular project and would identify them by name in speeches and publicly recognize their efforts. This created and cultivated such a huge support base for Tanaka across the bureaucracy, especially in the finance and construction ministries where Tanaka served two terms as minister. Tanaka enjoyed such an influence and control over the bureaucracy that other politicians would approach him to see if he could help them out with their needs.

These networks of politicians and bureaucrats enabled Tanaka to have an extra-constitutional power. They were exceptionally loyal to Tanaka and appeared almost monolithic in their unwavering support of him as their leader. Although he was forced to step down as the premier and was deemed as ‘finished’ politically after the Lockheed scandal, Tanaka continued to rule through this gundan. This army of politicians and bureaucrats would prove instrumental in ensuring Tanaka’s will was done in the policy-making process. From his villa in Mejiro, major policy decisions were made and decided by Tanaka through this gundan. It was said that nothing could be passed if Tanaka opposed it. While the constitution specified that the diet and the prime minister wielded formal political authority, as the shadow shogun, Tanaka masterfully “fixed” the political issues and functioned as the supreme arbiter of the Japanese political machine.

**Tanaka’s Fall: The gundan fractures**

The gundan paved the way for Tanaka’s amazing political resilience; his ability to remain in politics and repeatedly make a political comeback even after a troubled tenure as premier where he encountered hyperinflation and plummeting popularity; disastrous foreign policy trips to Southeast asia; dogged domestically by repeated scandals of corruption and the Lockheed scandal, its career low of imprisonment, intense public scrutiny and condemnation. Any of these would have meant the end of a career politician but Tanaka Kakuei was no ordinary politician. Tanaka managed to bounce back from all of these due to the monolithic nature of his gundan. They were loyal to him and they shielded their patron from criticism. Their unwavering support allowed Tanaka to control large swathes of the LDP even while in the political wilderness and in the midst of intense negative publicity. Their overlapping networks across various factions in the LDP and the opposition, provided levers of control for Tanaka to affect the political process. Bureaucratic allegiance proved critical in consolidating the gundan’s primacy in Japanese politics as it allowed them to obtain favourable policies which benefited their interests. It was this sense of solidarity and monolithic unity bound by almost fanatical loyalty to Tanaka, which made the gundan seem unstoppable. Opposing Tanaka meant opposing the entire gundan. And yet, it fractured from within, from the very top.

Tanaka lasted after a second term as premier. Although he was the fixer and the political force behind the Oyahira and Nakasone administrations, the top job was beyond his reach as the memory of the Lockheed scandal had not yet faded from public memory and it was unprecedented for a former prime minister to hold that office again. Tanaka was simply biding his time, waiting for an opportunity to do so. This had repercussions on his legion of followers. It meant that no successor could be had for his faction within the LDP. Under the LDP faction system, faction leaders would joust amongst themselves for the top job. If Tanaka did not step aside and allow himself to be succeeded, the rigid hierarchy of rank, seniority and proportional allocation of positions could not take place. This created fear and resentment amongst his top three lieutenants, Takeshita, Kanemaru and Ozawa. As the other factions replaced their leaders and their peers became faction bosses themselves, they feared that they would not get a chance to do so if Tanaka remained the faction boss and sought a second term as premier. They worried that Tanaka’s enduring dominance would obstruct and prevent their own political aspirations from being realized.
They chose to rebel. They launched a coup, quietly subverting Tanaka’s gundan through a study group. Using the study group to gain the allegiance of most members of the Tanaka faction in the LDP, the coup caught Tanaka off-guard and left him surprised. It was successful and Tanaka’s sprawling political juggernaut was deposed by the very men Tanaka trusted. Tanaka tried to fight back, insisting to speculators that things were fine and he was in charge, but convinced no-one. The rebels had managed to wrest control of the faction and the broader gundan as bureaucrats and other politicians switched loyalties. Devastated by the betrayal of his closest lieutenants, Tanaka suffered a massive stroke shortly after and never recovered. The stroke left Tanaka unable to speak and incapacitated putting an end to his political career. Tanaka would die 8 years later in 1993 with his dream of a second premiership unfulfilled.

In death, Tanaka’s gundan and his political army would remain. The triumvirate of Takeshita, Kanemaru and Ozawa would rule in place of Tanaka. Tanaka may have left the political landscape prematurely, but the gundan he built and the networks he created, remained. Takeshita would become prime minister and institute his own policies that encouraged and stimulated local development such as furusato. However, Takeshita’s mode of decision-making was deliberative and he would stall and delay on decisions. This made him unpopular among the general public, with his popularity rate falling to a record low of 2%. Like Tanaka, he would exit the political center-stage but remain influential. Together with Kanemaru and Ozawa, He would pull the strings and call the shot behind succeeding administrations such as the Kaifu and Miyazawa administrations.

Tanaka’s Legacy: Institutional rigidity and reforms

Tanaka’s gundan, would finally break down and be destroyed only by the tension between Takeshita and Ozawa. Its rigidity and strength as an institution, meant that it had become embedded and constituted the superstructure of the political landscape in Japan. Ozawa had been a personal favourite of Tanaka and given his role in the triumvirate, wanted to become Takeshita’s successor. However, Ozawa was relatively junior and there were 6 members who were regarded as senior to him and in a better position to succeed Takeshita, this made it difficult for him to make a case for his bid for the top job. Ozawa had Kanemaru’s backing and this created a messy factional split in the Tanaka (now Takeshita) faction of the LDP. When Kanemaru was implicated in a corruption scandal, Ozawa found himself exposed and faced mounting criticism from within the Tanaka faction.

Ozawa chose to destroy the gundan from within, publicly embracing a claim for its reform and destruction; of the tanaka army of extended political and bureaucratic networks which had helped bring his rise to power. Riding on the public sentiments of Kanemaru’s corruption trial, Ozawa’s call for reform resonated with voters. Ozawa would break away from the LDP with his faction to form the new reform party. This party would spell the end of the gundan’s special interests, construction and pork-barrel development and political benefits.

references:
