

# The Lockheed Scandal In Japan

Other than Italy, the country most affected by the contrived exposures of corporate bribery funneled through the U.S. Senate's Church Subcommittee on Multinationals has been Japan. Since the so-called "Lockheed scandal" first broke more than three months ago with revelations of multi-million dollar bribes of Japanese politicians, government officials, and leading figures in Japanese right-wing circles, the scandal has totally dominated Japanese politics. The government of Japanese Prime Minister Takeo Miki, already politically shaky, has been virtually paralyzed and the ruling conservative Liberal Democratic Party has undergone a severe factional shakeup as leading politicians have been linked to the scandal.

When the scandal threatened to lose its momentum early this month with an agreement between the U.S. and Japanese governments on the transfer of further information about the bribery recipients, a new element was added to the affair with a calculated "expose" by the New York Times and "former CIA officials" of the involvement and knowledge of the CIA in the bribery and of CIA links to right-wing figures already named as Lockheed influence-peddling agents.

From the beginning, the Lockheed scandal has been part of a calculated effort by Atlanticist financial circles in New York, grouped around the banking consortium headed by the Lazard Freres investment house which has progressively taken over Lockheed since its bankruptcy more than five years ago. Focused partially on the bankers' takeover of the U.S. aerospace industry, the main thrust of the scandal-mongering has been to discredit austerity policies in those countries. In Italy this is obvious. The operation involves a targeting of anti-Atlanticist circles in the Christian Democratic Party (DC) grouped around Giulio Andreotti and Italian industrialist Eugenio Cefis. The code word for such operations is "cleaning up" the "decrepit" DC which, in Atlanticist jargon, "has proven itself incapable of ruling Italy" — in short, has proven itself unwilling to follow the dictates of austerity issued by its creditors in New York.

Allowing for certain 'national peculiarities' and for a degree of uncontrolled chaos triggered by the affair, the Japanese case follows precisely the same pattern as Italy. The targets of the scandal in Japan have all been major conservative politicians from the rightwing of the LDP, most particularly former Prime Minister Kakuei Tanaka. Over the past five years these politicians and their backers have increasingly evidenced a long-hidden nationalism and desire to carry out an "independent" — from the U.S. — foreign policy. These politicians are backed by industrialists, based in the export-dependent heavy industrial sector, who have an objective interest in breaking from the domination of the dollar, which in effectively wrecking Japanese trade and the ability to expand production. Since August 1971, those circles have increasingly looked to break their resource and financial dependence on the U.S. and U.S.-controlled forces and have moved to diversify Japan's political and economic relations with the Third World, the Comecon grouping, China and other parts of the advanced capitalist sector. The Lockheed scandal itself is only an escalation of an Atlanticist campaign against these forces — a campaign which included the 'Watergating' of Prime Minister Tanaka in the fall of 1974.

## Targeting Tanaka

The targeting of Tanaka is quite clear in this light. Tanaka's period as Prime Minister was marked by an attempt to establish an outward and nationally-determined foreign policy, provoked by the so-called "Nixon shocks" — the August 1971 dollar devaluation and the Nixon trip to China. It was Tanaka who established diplomatic relations with the Peoples Republic of China, opened important discussions with the Soviet Union toward establishing closer relations between Japan and the nations of Southeast Asia, and, following the October 1973 Mideast war, moved to establish closer ties with the Arab nations of the region. Beneath the surface of these public actions, there developed increasing tension as a result of the inflationary flow of dollars into Japan and the massive accumulation of short-term dollar debt which occurred after the 1973-74 oil hoax — close to \$30 billion.

The Japanese accumulation of debt to the New York and Eurodollar markets made it increasingly necessary, from an Atlanticist standpoint, to insure a political regime in Japan that was willing to impose both domestic austerity to support its dollar obligations and to support Wall Street debt-collecting and militarism internationally, particularly in the Third World. The Tanaka cabinet's continued commitment to a "growth" policy and its foreign policy drift made it unsuitable for this task. This was the context for the contrived corruption scandal which forced Tanaka from office, a scandal instigated, according to informed sources, by Takeo Fukuda, the present Deputy Prime Minister and the leading agent of Atlanticist circles in Japan.

Fukuda has consistently represented the austerity and dollar-support policies of the New York banks, with whom he is known to have strong personal ties (to David Rockefeller among others). Fukuda has pushed these explicitly zero-growth ("low stable growth" as it is called in Japan) policies from his stronghold in the Finance Ministry and the Economic Planning Agency, whose influence in the powerful Japanese bureaucracy has been opposed by the Ministry of International Trade and Industry (MITI) which represents the interests of the industrial and export-oriented business sector of the zaibatsu.

The Miki cabinet, which was formed after an intense period of byzantine maneuvering within the LDP after Tanaka's resignation, was a compromise formation. Fukuda, who obviously hoped to succeed Tanaka, was barred from the premiership by strong opposition from the Tanaka faction, the largest in the party, and its allies in the faction of present Finance Minister Masuhiro Ohira and others. Miki represented a weak compromise, his personal power in the party weakest of all the factions and attractive at that point for the party because of his relatively "clean" image.

The Miki cabinet is thus comparable to the Ford Administration in the U.S. — the Ford-Rockefeller relationship paralleling the Miki-Fukuda relationship. Over the past year and a half of its existence, Miki has flipped back and forth from attempting to define an independent policy along Tanaka's lines and to submitting to the control of the Fukuda forces in the party and government.

Miki's ability to break from Fukuda had been enhanced by the growing strength of the Tanaka faction in the LDP, which remains the only national faction with some semblance of machine from the local level on up. The high point of Miki's efforts to break with Fukuda was the period immediately preceding the Rambouillet "Economic Summit" of last November, where Miki planned to present an outward, pro-Third World development policy, centered on Asia but including such features as support for an international effort in the development of thermonuclear fusion power. This policy was in sharp conflict with the confrontationist, anti-development policy of U.S. Secretary of State Kissinger. At that point, Miki was subjected to massive pressure both from the U.S. and from Fukuda-allied forces in the Japanese government led by the Finance Ministry, which publicly opposed Miki's development plans as "too costly."

#### Battle Intensifies

Following the Rambouillet conference, the battle within the government between the Atlanticist and pro-growth forces, whose spokesmen include MITI head Toshio Komoto, was intensely carried out in the typically Japanese fashion, only occasionally breaking out into the open. The clearest expression of Japanese interests at that time was a heavy effort by industrialists to expand trade with the Soviet Union and the Comecon group and with the Third World, especially the Middle East. The clear political danger perceived by the Atlanticists in the Japanese internal political situation was the possibility for an effective Tanaka-Miki alliance, providing the basis for a clear break with Fukuda. This never emerged.

Instead the Lockheed scandal broke the back of the anti-Atlanticist forces. Tanaka and others have been driven into default submission to the Miki-Fukuda alliance, and Miki has been pressured to disassociate himself from Tanaka, on penalty of the destruction of his own political career as "Clean Miki."

One of the most striking features of the scandal is the attempt to characterize it as a scandal of the entire Japanese right wing.

Tanaka—and the other major rightist nationalist figure, LDP Secretary General Yasuhiro Nakasone — have been linked to the scandal principally through ties to two major figures in the Japanese right-wing business-underworld whose antecedents are the pre-war militarists: Yoshio Kodoma, the 'Godfather' mafioso of the right who heavily funded the LDP from its founding and is known to have had close personal connections to previous Prime Ministers Kishi and Sato; and Kenji Osano, a right-wing business figure, based on the airline industry, who was a major funder of the Tanaka faction. Both have been named as the key agents of Lockheed influence peddling in the government in the sale of their civilian and military aircraft and as recipients themselves of massive Lockheed payoffs. This has spurred, in the Japanese press and elsewhere, a wave of "exposés" about the seldom-mentioned but hardly secret Japanese ultra-right and its ties to the LDP.

#### Fukuda Unscathed

The irony of these exposés — and the proof of their contrived nature — is that every single Japanese politician connected to the right has been named in this affair in one way or another with the single exception of Takeo Fukuda,

who is no stranger to these circles. In fact Fukuda has been associated with these circles during his entire career, including close connections to the Mitsubishi cartel, the major arms producers of Japan, and to the other major doyen of the Japanese right wing, Ryiochi Sasegawa, a supporter and funder of various Japanese right-wing causes and organizations. Sasegawa was known to be close to the former Prime Minister Kishi, who has been implicated in the Lockheed scandal and from whose faction Fukuda and his faction emerged.

It is, of course, no accident that Fukuda has emerged, along with Miki of the 'liberal' wing of the LDP, as the only major figure totally unscathed by the scandal. The chaos into which the government has been driven by the scandal, and the activities of the opposition parties in pressing the obvious political advantages of the affair, have only helped consolidate Fukuda's immediate position inside the LDP and the government. Indicating widespread knowledge of Fukuda's role, it has been reported in the Japanese press that members of the Tanaka faction have identified a conspiracy headed by Fukuda as responsible for both the original Watergating of Tanaka and the Lockheed scandal. But indicative of the effect of the scandal, leading members of the Tanaka faction have also been reported as calling for a Tanaka-Fukuda alliance, something that would have been unheard of — they are considered the bitterest of enemies — months ago.

A frequently heard argument which would appear to contradict this analysis is that the LDP as a whole has suffered from the scandal, hence Fukuda as well, and that the real gainers are the Socialist and Communist parties and the opposition as a whole. Such an analysis ignores two fundamental points: first, while the LDP as an independent institution may be permanently damaged, (its disintegration has been underway for some time in any case), the machinery for a strong right-wing Atlanticist fascist austerity government still exists and in fact becomes more likely every day with the destruction of the last shards of parliamentary government in Japan. Second, the Japanese left itself is fundamentally impotent. This is revealed in their treating the Lockheed scandal as the occasion for a purely opportunist real politicking, while leaving militant trade unionists engaged in a battle against the austerity plans of the capitalists without any leadership and program. The reality of this is shown in the miserable defeat now being suffered by the trade unions during this year's "Spring Struggle" wage battles, at a time when the government is supposedly weaker than ever before.

The usefulness of the left, particularly the agent-ridden Socialist Party, in the whole affair is in itself a topic deserving fuller examination. At the least the left parties have lent themselves to promoting the scandal in precisely the manner which aids the Atlanticists' aims — ignoring Fukuda, the austerity pusher, for the easy targets of Tanaka, et al. Moreover, the possibility of a 'historical compromise' left center government has been mooted as a successor to the Miki cabinet — a government combining the left LDP and the opposition, minus the Communists. Such a government could only serve to lead the working class to the slaughter before austerity, setting the stage for a right-wing strongman government that would have no more need or use for left traitors.