

Japan: LDP cozy ties with power companies

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LDP must clear doubts over links with power firms: secretary general

TOKYO (Kyodo) — Japan's long-ruling but now main opposition party, the Liberal Democratic Party, must clear up any public misunderstandings that it makes much of electric power companies, LDP Secretary General Nobuteru Ishihara said Tuesday.

Ishihara commented at a news conference as media reported earlier this week that more than 70 percent of individual donations to the LDP's political fund management body in 2009 came from current or retired executives of nine electric power companies including Tokyo Electric Power Co., the operator of the crisis-hit Fukushima Daiichi nuclear power station.

"We must clear up misunderstandings, if any, that we make light of the public and much of electric power companies," said Ishihara.

Ishihara said individuals, business corporations and organizations, such as labor unions, are allowed to provide donations to political parties to support politicians' activities but parties need to act not to cause misunderstandings.

The LDP's funds management body, the People's Political Association, received 64.85 million yen in political donations from individuals in 2009, 72.5 percent of which came from executives of Tokyo, Kansai, Chubu, Hokkaido, Tohoku, Hokuriku, Chugoku, Shikoku, Kyushu Electric Power companies, showed a Kyodo News survey released Friday.

The LDP, which was in power almost continuously from 1955 until it lost in the 2009 election to the Democratic Party of Japan, has promoted the development of nuclear power generation.

Kyodo, July 27, 2011

<http://mdn.mainichi.jp/mdnnews/national/archive/news/2011/07/27/20110727p2g00m0dm043000c.html>

Utilities, LDP long held cozy ties: Party donations continued behind scenes

despite '70s industry ban

The recent findings that current and former power company executives have been making huge political donations to the Liberal Democratic Party since the 1970s show the industry and party have long had cozy ties.

The revelations also indicate the difficulties the Democratic Party of Japan-led government faces in persuading the industry to back a new energy policy due to the Fukushima nuclear crisis.

During its almost uninterrupted rule of more than 50 years, the LDP based the nation's energy policy on nuclear power.

According to an analysis of data released Saturday by Kyodo News, more than 70 percent of individual donations to the LDP's political fund management body in 2009 came from current or retired executives of nine of the nation's 10 utilities. All nine run nuclear plants.

Only executives of Okinawa Electric Power Co., which does not have a nuclear plant, did not make donations to the party.

The executives started donating money to LDP lawmakers in 1976, two years after the power industry supposedly put a stop to political donations amid public uproar against electricity price hikes.

Until the mid-1970s, power firms made corporate donations worth billions of yen annually to the People's Political Association, the LDP's fund management body. The financial and steel industries also made huge contributions to the party.

The Federation of Electric Power Companies of Japan worked as the power industry's fundraiser and its donations to the LDP peaked at ¥18.3 billion in 1973, a year ahead of an Upper House election that had huge implications for the power industry, as one of the key issues was electricity price hikes amid the global surge in crude prices during the first oil crisis.

Although the LDP won the poll, it lost a number of seats and dealt a major setback to then Prime Minister Kakuei Tanaka — who has come to symbolize postwar pork-barrel politics — and the power industry. Tanaka was forced to declare an “end to elections requiring a lot of money” and the LDP scaled down political donations from companies. Utilities also declared a self-imposed ban on corporate political donations after many consumers started a movement to refuse to pay hiked electricity bills.

But these developments didn't stop the flow of donations — they just continued behind the scenes.

The first donations were made by executives in 1976, in amounts of ¥100,000 or more, according to government gazettes and securities report filings. Kyodo News cross-checked the names on the gazettes and executive rosters of power companies in the corresponding periods.

Data showed the sum of contributions by executives gradually grew from ¥17.88 million in 1979, five years after the self-imposed ban on donations, to ¥37.59 million in 1999.

From the early 1990s, executives from all nine companies started making donations, hinting at a concerted industrywide effort.

LDP Secretary General Nobuteru Ishihara said Tuesday the party must convince the public that its energy policy over the years has not been influenced by power firms' political donations.

"We must clear up misunderstandings, if any, that we favor power companies over the public," Ishihara said.

Kyodo, July 29, 2011

<http://search.japantimes.co.jp/cgi-bin/nn20110729f1.html>
