

Start of radical political change for the working class in Japan

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The kickback scandal involving the fundraising parties of the Abe faction, the largest faction of Japan's ruling Liberal Democratic Party (LDP), has become a major problem that is shaking the foundations of the Kishida regime in Japan.

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The Abe faction has sent many politicians to the heart of Japan's Kishida regime. The scandal began with criminal charges for underreporting income from ticket sales at fundraising parties. In fact, 80-90% of the income from the LDP factions' fundraising party ticket sales have become an underground economy where no one knows who bought how much. It was also alleged that the hidden income from the sale of party tickets for fundraising events had been kicked back to LDP members. In response to the kickback scandal, incumbent Prime Minister Fumio Kishida replaced four cabinet ministers, including the Chief Cabinet Secretary, on 14 December. And he also decided on their replacements. Five deputy ministers and a parliamentary secretary of the Abe faction also resigned.

The kickback scandals were also uncovered one after another in other factions other than the Abe faction. And even the Kishida faction, headed by Prime Minister Fumio Kishida, came under suspicion. Furthermore, the allegations of kickback money scandals by key cabinet members and executives of the LDP continue to surface, and the allegations continue to grow. The problem cannot be solved by simply replacing Abe faction ministers and party officials. On 14 December, when the replacement of four cabinet ministers was announced, Japan's Jiji Press published the results of a public opinion poll. According to the poll, the Cabinet's support was at 17.1 percent and the LDP's support was at 18.3 percent, both the lowest since the LDP returned to power in 2012. [1] The anger of the Japanese people against the unaccountable government is shaking Japanese politics.

Post-closing investigation of the current extraordinary Diet session

These kickback money scandals by the largest faction of the LDP exposed the institutional problem of politicians' management only for their personal benefits. The cabinet of Fumio Kishida has been significantly reshuffled in the wake of the scandals. It is an unusual situation for the LDP to have zero ministers from the Abe faction, which makes up a quarter of the LDP's parliamentary members. In November of this year, after the criminal complaint was filed, the Special Investigation

Department of the Tokyo District Public Prosecutors Office launched an investigation into allegations that five major factions of the LDP, including the Abe faction, had failed to report a total of about JPY 40,000,000 income from fundraising parties in their political fund balance reports. [2] Abe faction leaders at the heart of the Kishida regime are all suspected of involvement in the kickback scandal.

The five main factions of the LDP include the faction headed by Prime Minister Fumio Kishida himself. In the course of the investigation by the Special Investigation Department of the Tokyo District Public Prosecutors Office, not only was the income from the sale of tickets to the fundraising party not included in the report, but it also turned out that the amount of money collected by the council members in excess of their respective “quotas” was hidden from both income and expenses and kicked back to them. In the case of the Abe faction, the total amount is reported to be as much as 500 million yen. Since the kickback scandal was uncovered, the Japanese media have used many questionable terms such as “party ticket”, “the kickback money”, and “quota” in its daily coverage. Even many Japanese who do not normally pay attention to politics are now forced to realize that the government is in danger. A full-scale investigation by the investigative authorities after the current extraordinary Diet session ends on 13 December would be a major blow to the Kishida regime.

How the kickback money is generated

To understand the kickback process in Japanese politics, it is first necessary to understand what parties are, how party tickets are sold, and how the kickback process is carried out. The word “party” will raise the spirits of many people. However, fundraising parties are not ones in the original sense. Fundraising parties do not intend to entertain attendees, nor do they expect them to come to the venue. The purpose of parties is to get people to pay for them. Particularly in the early 2000s, when the LDP was thriving, lawmakers held nightly parties at famous hotels around the National Assembly. After a short speech by the LDP leaders, the party moves to a standing buffet, which lasts about 30 minutes. Participants had little or no food. After the Covid-19 crisis, the number of “parties” where food was not even served increased. These unusual “parties” are held with about 2,000 participants packed into the venue.

It is a rule of Japanese law that the income and expenses of “parties” must be reported. The reports are then made available to the public. The Abe faction’s report for 2022, released this November, shows that more than 70 percent of its income is actually profit. [3] And Abe faction members sold 2.5 times as many tickets as the venue, which accommodated as many as 2,000 people, could hold. In 2022, 59 companies and political organizations were listed as having made payments in excess of JPY 200,000. Some of these companies paid JPY 1,500,000. If party tickets are purchased by a political organization, this must be noted in its own report and made public. However, in the current report, the names are only listed in a small portion of the total income. Most of the records in the report do not show who paid for it.

The kickback money intentionally not mentioned

The Abe faction’s report identified more than JPY 30,000,000 (“undocumented”) for the five-year period from 2018 to 2022. In addition, “undocumented” were found in all the reports of the five major factions of the LDP. The total amount was nearly JPY 60,000,000 over the five-year period. After a series of media reports, the LDP factions revised their descriptions of their reports. However, the failure to list such a large amount is not a simple mistake.

It is clear that the records were deliberately falsified. The purpose of the false reports is to make the

kickback money. However, the false reports revealed this time are only the tip of the iceberg. The Special Investigation Department of the Tokyo District Public Prosecutors Office, which received the criminal charges, is currently conducting a thorough investigation. In the course of the investigation, it is suspected that the amount collected by the lawmakers of each faction in excess of their respective “quotas” was “kicked back” to them, concealing both income and expenses from them. These “kickbacks” are nothing more than secret funds, as the exchange is not mentioned in the reports.

Japan, where secret funds are widespread

The kickback scandal against the Abe faction of the LDP was pursued in earnest after Abe’s death during a campaign speech in July 2022. The dark side of Abe’s “one-strong” politics as a right-wing nationalist might have been hushed up, including the kickback scandal, had it not been for the 2022 incident. Moreover, secret funds in Japan are not just an issue for the LDP. The scandal being pursued against the Abe faction of the LDP is merely an overture in the pursuit of problems in politics, government and business that have been covered up by state power. Kickbacks in the Japanese police organization have been reported in the media many times, but have not been considered a major problem. [4] In the past, police organizations have committed the obvious crime of cheating on budget irregularities by double bookkeeping. However, these have not been prosecuted as crimes and investigations have not been initiated in earnest because the police officers who should be investigating the crimes have been directing the wrongdoing.

In 2009, it was revealed that major Japanese general contractors were inflating construction costs for Japan’s overseas projects, such as Official Development Assistance (ODA). [5] The company also makes elaborate efforts to pool the kickback money, such as setting up paper companies overseas. The illegal kickbacks were used to finance the LDP and other ruling parties to win domestic and overseas construction contracts, among other things. There are many politicians and bureaucrats in Japan and abroad who are dependent on bribes. The “politics and money” of the LDP, mostly the ruling party, has been one of the biggest issues in post-war Japanese politics (e.g., the Lockheed scandal in 1976 and the Recruit scandal in 1988). Politics has become a big “industry” in Japan. Japanese politicians need to satisfy these “industries” to get a boost. And the darkness in Japanese society has been preserved and not pursued by the political dominance of the long-term government and the LDP, which has been maintained by the historical background of post-war politics in Japan.

For the struggle to end the LDP

As of this writing today (19 December), the first mandatory investigations have begun into the offices of two factions, including the Abe faction. This is a situation that could destroy “the nation of Japan” if prosecutors seriously investigate (without restraint). The media’s pursuit of Prime Minister Abe’s “one-strong” politics and the LDP continues unabated. And the accusations against the LDP and its members are unfathomable. In response to the ongoing persecution of the LDP as a whole, Prime Minister Fumio Kishida has announced that he will refrain from holding factional parties for the time being and that he will no longer serve as the leader of the Kishida faction. But all the statements of the LDP ministers are far from the public opinion. In addition to the need for testimony from the former general secretaries of the major factions, a thorough investigation of the kickback money allegations is needed.

It is imperative that Japan’s money politics be eradicated through a total ban on fundraising parties and corporate and group donations, including income from ticket sales for fundraising parties. It is

also necessary to abolish subsidies to political parties, which have obvious harmful effects. The political party subsidy system, which allocates taxpayer funds to political parties, effectively forces political parties to make donations, and is a system that violates the Constitution by trampling on “freedom of thought and belief” and “freedom to support political parties”.

The death of former Prime Minister Shinzo Abe was the catalyst for breaking the long succession of dishonest and undemocratic policies. Abe’s pro-capital policies had ignored the victims and exploited the labour force with low wages and unstable working conditions in the name of “self-responsibility theory. Even many Japanese who do not normally pay attention to politics are now aware of Japan’s political crisis. Now is the time to continue the struggle to remove the LDP’s dysfunctional far-right government and end the LDP’s policies that have been abandoned by the people. This is the starting point of a process of radical political change for the working class in Japan.

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Footnotes

[1] Fiji Press, 14 December 2023, “[LDP’s support for Kishida Cabinet 17% = continued decline due to allegations of slush fund; disapproval 58%](#)).

[2] Tokyo Web, 25 December 2023, “[The LDP’s method of creating a “slush fund” with party tickets](#)).

[3] (Japanese) [Income and Expenditure Report](#).

[4] Toyo Keizai, 11 May 2022, “[Slush fund of police: what the executive taught me](#)).

[5] Red Flag, 16 January 2009, “[Making slush fund, mostly overseas](#)).