

# JAPAN'S ELECTIONS HEAVILY FINANCED

## Restrictions Widely Evaded —Corporations Sponsor Individual Candidates

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TOKYO, July 13—They call it the zaru ho, or bamboo-basket law, because it is so full of holes that water leaks out everywhere.

It is the Japanese law regulating political finances.

In theory it carefully limits political contributions. But in practice the governing Liberal-Democratic party used it to raise an estimated \$100-million from the nation's major corporations to support its 95 candidates in last Sunday's Senate election.

The legal limit for each candidate was \$65,000, which would come out to just over \$6-million for 95 candidates.

Moreover, under a new plan thought to have been suggested by Premier Kakuei Tanaka himself, the conservative Liberal-Democratic Party assigned responsibility for financing and organizing its candidates' campaigns to individual corporations.

While no figures have been officially disclosed, reports in the Japanese press indicated that Teru Miyata, Japan's most popular television entertainer, received at least \$2-million from his corporate backer, the Toyota Motor Company.

Akiko Santo, 31-year-old movie actress, is reported to have gotten a similar amount from her supporter, Hitachi, the home-appliance manufacturer.

In a backlash of popular resentment over the Liberal-Democrats' plutocratic connections, the candidate most prominently linked to big business, Ken Saka, was defeated. Mr. Saka, who was sponsored by the Mitsubishi group of 27 companies, Japan's largest conglomerate, is said to have received \$3.5-million.

As part of the reaction against the conservatives' financing links to big business, Deputy Premier Takeo Miki resigned from the Cabinet yesterday. He called for reform of the methods used to raise party funds.

Unlike the American campaign law, Japanese corporations may legally make tax-free contributions to politicians, but the amounts are theoretically limited on a sliding scale according to the size of the companies.

Conveniently for the Liberal-Democrats, who have long been closely tied to Japanese businessmen, the law is somewhat vague about the actual scale. Efforts to tighten the law have been consistently shelved in the Parliament.

### Hidden by Accountants

And even the existing fuzzy limits are evaded, according to knowledgeable Japanese politicians, as the donating companies do not declare most of their contributions. Instead the amount is skillfully spread through the corporation's budget by the company's accountants.

One favorite practice, a businessman said, is to declare political contributions as "irrecoverable credits." Tax auditors seldom question these claims; stockholders, largely other businessmen sympathetic to the Liberal-Democrats, have little interest in checking the expenditures.

The companies' custom of contributing directly to candidates has a long history in Japan, but this month's Senate election intensified the trend because of tenuous competition between the Liberal-Democrats and the four opposition parties.

It is not only the conservatives who have taken advantage of the lax restrictions. The Socialists raised large amounts from labor unions supporting them, and the Komeito, or Clean Government Party, which is the political wing of the militant Soka Gakkai Buddhist sect, uses its religious organization.

Their financing has been so well hidden that even the Japanese press has declined to speculate on how much money the Socialists and the Komeito have raised from their supporters.

### Other Laws Stricter

In other respects, Japanese laws governing campaigns are stricter than American laws. Radio, television and newspaper advertisements are banned, except for brief ones paid for by public funds. Posters are limited, and door-to-door solicitation is prohibited.

But these regulations are evaded too, though sometimes at the risk of arrest. The police report that they have arrested 462 people, including one Liberal-Democratic candidate, for having violated these regulations.

It is unclear how many of these people will actually be prosecuted.