

# Leaders at Business Lobby Keidanren Remain All Male, All Over 60

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Chairman Sadayuki Sakakibara (at microphone) speaks at a Keidanren event Jan. 29. —Keidanren

Japanese companies are under pressure to shake up their corporate culture, but the country's chief business lobby, Keidanren, opted for stability when it reshuffled its leadership ranks.

The group Monday chose **six new vice chairmen**—all men in their 60s and 70s—to join 10 incumbent vice chairmen and its chairman, who are also all men in that age group. The new officers of the group, which is called the Japan Business Federation in English, are presidents and chairmen of the bluest of blue-chip financial and industrial firms, like the Mitsui & Co. trading house and Nippon Life Insurance Co., the country's biggest insurer. Three of the six new vice chairmen, who will start their four-year terms in June, hail from the Mitsubishi keiretsu, a loose conglomeration of companies that have led Japan's economy for a century.

To raise Japan's economic metabolism, Prime Minister Shinzo Abe's Abenomics program calls for changes like empowering women, strengthening corporate governance rules and fostering more entrepreneurship.

Keidanren is a major voice in that debate, and it has **pushed back against some of Mr. Abe's proposals**, from requiring big companies to set numerical targets for women managers to increasing the number of independent directors on corporate boards.

"These personnel changes look like mostly a reshuffle and don't seem to bring any improvement," said Junichiro Koga, a former Kyodo News reporter and author of a book on Keidanren.

"We picked the six people, considering various factors such as personality, dynamism, influence and types of affiliated companies and corporate groups," Keidanren Chairman Sadayuki Sakakibara said at a news conference Monday.

He added that, while there are no women in the top ranks of his organization, it did make some history Monday by appointing the first female vice chairman to its advisory board. Haruno Yoshida, president of British Telecom Japan, was named one of 20 vice chairmen of that 634-member committee. At 50 years old, she is also one of the youngest group leaders ever.

"This is a first step," Mr. Sakakibara said. "There could be a female vice chairman—or even chairman—of Keidanren at one point, though I cannot tell when."

The enduring male dominance of Japan's business culture is evident not just at Keidanren itself, but at the companies run by the new vice chairmen. Of the 256 executive officers—executive vice presidents, vice presidents and managing officers—in the six businesses combined, two are women.

Among the six companies, five have roots that go back at least to the late 19<sup>th</sup> century, during the Meiji Era when modern Japanese commerce emerged. The youngest company, Sumitomo Chemical Co., dates its origins to 1913.

Yasumi Kudo, chairman of Nippon Yusen K.K., one of the world's largest shipping companies, will become Keidanren's youngest vice chairman at age 62. The other new vice chairmen range in age from 64 to 70.

None has worked for any company other than the one he now runs. (Shunichi Miyanaga, president of Mitsubishi Heavy Industries Ltd., did, however, work for six years for a joint venture his company has with Hitachi Ltd.) They've each been with their companies for at least 39 years. Three of the six have never been worked for those companies outside Japan.

Unlike many of their peers, each of the six companies has at least one outside director. At the high end, one board has one-third of its directors from outside the company: the parent company of Bank of Tokyo-Mitsubishi UFJ Ltd., where new Keidanren vice chairman Katsunori Nagayasu serves as chairman.

Keidanren has long faced criticism that it has focused on preserving Japan's business practices, despite the country's decades of sluggish growth. In 2011, one of Japan's most successful entrepreneurs—Hiroshi Mikitani, founder of Rakuten Inc., an online shopping mall—publicly quit the group and **formed a rival "new economy" group**.

"It seems Keidanren is either trying to protect everything about 'Galapagos,' or doesn't have the courage" to change, Mr. Mikitani **said at the time**, according to the Japan Times, invoking a term often used derisively to describe the isolated development of Japan's business traditions.