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Vanishing act by Japanese executive during nuclear crisis raises questions

By [Andrew Higgins](#), Monday, March 28, 10:20 PM

TOKYO — In normal times, Masataka Shimizu lives in The Tower, a luxury high-rise in the same upscale Tokyo district as the U.S. Embassy. But he hasn't been there for more than two weeks, according to a doorman.

The Japanese public hasn't seen much of him recently either. Shimizu, the president of [Tokyo Electric Power Co.](#), or Tepco, the company that owns [a haywire nuclear power plant](#) 150 miles from the capital, is the most invisible — and most reviled — chief executive in Japan.

Amid rumors that Shimizu had fled the country, checked into a hospital or committed suicide, company officials said Monday that their boss had suffered an unspecified "small illness" because of overwork after a 9.0-magnitude earthquake sent a tsunami crashing onto his company's Fukushima Daiichi nuclear power plant.

After a short break to recuperate, they said, Shimizu, 66, is back at work directing an emergency command center on the second floor of Tepco's central Tokyo headquarters.

Still, company officials are vague about whether they have actually seen their boss: "I'll have to check on that," said spokesman Ryo Shimitsu. Another staffer, Hiro Hasegawa, said he'd seen the president regularly but couldn't provide details.

Vanishing in times of crisis is something of a tradition among Japan's industrial and political elite. During Toyota's recall debacle last year, the carmaker's chief also went AWOL. "It is very, very sad, but this is normal in Japan," said Yasushi Hirai, the chief editor of *Shyukan Kinyobi*, a weekly news magazine.

[But the huge scale of the nuclear disaster](#) at Fukushima Daiichi and mounting anger at Tepco's obfuscations have put unprecedented strain on the Japanese establishment's preference for invisible crisis management. And the Internet has helped erode Japan's deferential norms and given voice to those who want more than a contrite bow.

Shimizu's vanishing act "is not so much extremely strange as inexcusable," said Takeo Nishioka, the chairman of the upper house of Japan's Diet, or parliament. Speaking to reporters, Nishioka described as "mysterious" Shimizu's refusal to join the head of the nuclear safety agency at a briefing on the crisis for parliament. "I cannot understand this," Nishioka fumed.

Shimizu last appeared in public at a late-night news conference March 13, two days after the worst earthquake on record in Japan. The tsunami triggered by the quake, said Shimizu, dressed in a blue company uniform instead of his normal business suit, "exceeded our expectations."

Since then, the Daiichi plant has gone berserk, releasing radiation into the air, contaminating the sea and spreading alarm across Japan and beyond. Shimizu's public response: an arid message on the company's Web site expressing "deep apologies for the concerns and inconveniences caused due to the incident."

Tepco's contrition brought an angry blast from the governor of Fukushima prefecture, a region that has borne the brunt of the crisis. Residents of Fukushima, governor Yuhei Sato told Japanese television, are "not in a position to accept apologies because their anger and anxiety are extreme."

The governor's refusal to go along with the customary rituals of corporate penitence reflects the depth of Japan's current trauma — and the agonies confronting a Tepco leadership steeped in the discreet habits of Japan Inc.

On Sunday, hundreds of protesters marched past Tepco's headquarters, chanting "No more Hiroshimas" and hurling insults at a pillar of Japan's corporate establishment. One protester, dressed like the Grim Reaper with skull mask and black cloak, stood in front of a line of police and waved a board mocking Tepco's assurances: "Nuclear energy is still safe. DEATH."

Even company insiders now question Shimizu's decision to play by old rules during the worst nuclear crisis since the 1986 Chernobyl catastrophe. "Personally, I'd recommend that he speak in public as soon as possible," said Toko Kanoh, a former Tepco vice president who, after 12 years in the upper house of parliament, is back at the electricity company as an adviser.

Like his predecessor as president, who got booted up to the chairmanship after an earlier but far less serious nuclear accident in 2007, Shimizu is a Tepco lifer: He joined the company at age 23 just weeks after graduating from Keio University, an elite private college in Tokyo.

Compared with the chief executives of major U.S. or European companies, Shimizu earns a pittance. Tepco won't give his salary, but total remuneration for the president and 20 other directors came to \$8.9 million in fiscal 2009, the last period for which figures are available.

But power and prestige in Japan have never been just about money. Running a utility that supplied a

third of all Japan's electricity made Shimizu a full member of Japan's elite, and a vice chairman of Nippon Keidanren, a powerful and very buttoned-down business federation.

Japan's mainstream media have mostly gone easy on the Tepco boss, in contrast with the treatment meted out in America to BP boss Tony Hayward during the Gulf of Mexico oil spill. But one online journal demanded that Shimizu be tried in a criminal court. Several bloggers called for the death penalty, though far more numerous are those who simply want him to break cover and appear in public.

Prime Minister Naoto Kan has also voiced frustration at Tepco's bunker mentality. Japanese newspapers reported that Kan visited Shimizu before dawn at the start of the crisis and later, upon learning that the company might withdraw its last workers from the smoldering nuclear plant, shouted, "What the hell is going on?"

Since then, however, the prime minister himself has mostly dropped from view and officials have stopped criticizing Tepco.

The electricity company has lost two-thirds of its value on the Tokyo stock exchange since the March 11 earthquake. Far more than just an electricity generator, the company has more than 40 subsidiaries involved in everything from real estate to forestry and recycling. It owns a Canadian uranium company, a Japanese resort, a shipping firm in the Bahamas and a company in Delaware.

Tepco "is just too big to be accountable," said Jeff Kingston, director of Asian studies at Temple University Japan. "There is anger, but the wagons are now circling" to try to prevent serious jolts to the system.

Until the tsunami, Shimizu won praise for making Tepco profitable again after heavy losses because of a 2007 earthquake that damaged another nuclear plant. In the company's last annual report, he described cost-cutting as a "core mission." While mentioning the need to "construct disaster-resistant nuclear power stations," he noted with pride that the company had cut the cost of inspections "not by postponing them but by reducing their frequency."

No one doubts that Shimizu will, sooner or later, step down, just as his predecessors did after earlier debacles, which included the falsification of safety data. But rearranging chairs in the boardroom might not be enough this time. In just over two weeks, Tepco has gone from being an economic and political powerhouse to a basket case. It is seeking two trillion yen (\$25 billion) in emergency loans just to stay afloat.

"I'm not just angry at Shimizu, but against all of them," said Kuniyoshi Yoshikawa, a retired physicist who took part in Sunday's anti-Tepco protest march. Shimizu's resignation is inevitable but "not a solution." Real change, he said, is "not going to be easy" because that would require disentangling intimate ties between the company, politicians and nuclear regulators.

Kanoh, the former Tepco vice president and former member of parliament, for example, helped draft a 2002 basic law on energy policy, which endorsed the nuclear option in which Tepco has invested so heavily.

In an interview Monday, Kanoh denied that the nuclear lobby has undue influence, saying "Japan is a democratic country" that takes all voices into account. On the wall of his office, in a Tepco building, is a photograph of a meeting he had in the 1980s with Emperor Hirohito, Japan's revered late monarch. The emperor, he said, "had a strong interest in nuclear power."

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