

June 29, 2016

Mr. Shinzo Abe  
Prime Minister of Japan  
President, Liberal Democratic Party (LDP)

Dear Prime Minister Abe:

### **Open Letter on Important Issues in the House of Councillors Election**

A few days ago, I proposed to you that we hold a party leaders' public debate. However, you and the LDP failed to understand the significance and importance of such a debate and refused it on the ground that you are too busy with the election campaign. Since I was very much hoping that you would accept my proposal for a debate rather than run away like this, I find this very disappointing.

However, as I said when I made that proposal, the important issues in the House of Councillors election have not been debated in sufficient depth. Therefore, I am putting these questions to you in writing in the hope that you will find the time to respond to them in the course of your busy election campaign. In order to provide all Japanese citizens and voters, including young people aged 18–19, with the information they need to decide how they should vote, I strongly request a response in good faith from you and the LDP.

Considering that there is very little time left before election day, I request that you reply in writing by the end of tomorrow, June 30. Please be aware that this open letter and your reply to it will be widely published in the media, including the press and the Democratic Party website.

#### **1. The Economy**

- (1) I understand that you called for the compilation of an economic stimulus package at yesterday's meeting of the Council on Economic and Fiscal Policy. I also believe that certain economic measures are necessary. However, these should not be the usual policy of throwing money into public works and lump-sum payments, but economic measures to achieve both distribution of wealth and economic growth—most notably, investing in people such as children, childrearing, education, and employment; improving pensions, long-term care, and other social security programs; alleviating poverty; and correcting the income gap. What do you consider to be the pillars of your economic measures? You have often said that it is irresponsible to resort to deficit-covering government bonds, but how do you propose to finance these measures? Please explain where these funds will come from and the approximate amounts.
- (2) Stock prices have fallen greatly with the crisis surrounding the United Kingdom's exit from the European Union. There is growing concern about the pension reserve of 140 trillion yen managed by the Government Pension Investment Fund (GPIF). It has been estimated that the fund had already lost five trillion yen in fiscal 2015 and now these losses are expected to increase. In the worst-case scenario, in accordance with your own statement that payments will naturally be affected if the expected profits are not generated, this may well lead to future reductions in pension payments. The government should announce the GPIF's investment results not on the currently scheduled date of July 29, after the House of Councillors election, but ahead of the election in early July, as in previous years. It should also make a speedy announcement of

the losses expected as a result of the referendum in the United Kingdom. Furthermore, a reduction should be made to the equity allocation of the GPIF's policy asset mix, which has more than doubled from 24 percent to 50 percent under your administration. Please state your views on this matter.

## **2. Social Security**

- (1) Together with your decision to once again postpone the consumption tax hike, you have stated that it will not be possible to implement all the social security improvements planned for April next year. However, it is completely unreasonable for you to postpone your promise to the Japanese people twice and make them wait for four years as a result of your own economic mismanagement. I believe that the consumption tax hike should be implemented as promised in April next year. Another problem is that you have failed to make clear which improvements to social security programs will be made and which will not. For instance, do you intend to implement the added benefit of up to 60,000 yen per annum for low-pension recipients and the reduction of long-term care insurance premiums for low-income elderly people? And if these improvements are to be implemented, how will they be funded? Please provide a clear explanation of this.
- (2) Although you have repeatedly asserted that you will not rely on deficit-covering government bonds, 20 percent of the revenues from the consumption tax hike were to be used for the expansion of social security programs while the remaining 80 percent would be used to reduce the burden passed on to future generations—in other words, the national debt such as deficit-covering government bonds. However, by postponing the consumption tax hike from 8 percent to 10 percent by two and a half years, the planned reduction of the debt by about 10 trillion yen (four trillion yen a year) will no longer be possible. If you are not going to rely on deficit-covering government bonds, please explain clearly how this 10 trillion yen will be funded.

## **3. The Constitution**

- (1) At the prime minister's press conference at the beginning of this year, you clearly stated that, regarding constitutional revision, you would "appeal for it strongly during the House of Councillors election campaign" and that you hoped to "deepen public discussion through those appeals." You have made similar declarations of intent on many occasions in your replies to questions in the Diet. However, now that the election campaign is underway, you have avoided such discussion in party leaders' debates and not referred to this issue at all in your campaign speeches. Your response to Japanese citizens and voters has been insincere in the extreme. Were you lying when you said you would make a strong appeal during the House of Councillors election campaign? I ask you to explain clearly and sincerely.
- (2) In the televised party leaders' debate on June 24, you stated that it would be difficult under the current circumstances to revise Article 9 of the Constitution of Japan. In a program broadcast by NHK in January, however, you stated that you would aim to form a two-thirds majority with people who are considering constitutional revision with a strong sense of responsibility; and in response to a question in the Diet in March, you said that you hoped to achieve constitutional revision while you are in office. Nevertheless, in the televised debate mentioned above, you



declared that it would be difficult under the current circumstances to revise Article 9. Is that your current view regarding revision of Article 9, or does it simply mean that you have abandoned the idea of revising Article 9 while you are in office? Please explain your position clearly.

- (3) I believe that the pacifism of the Constitution of Japan has positive significance in not only prohibiting wars of aggression, but also in maintaining an exclusively defensive posture and not using force overseas. However, you have taken the position that the pacifism of the Constitution of Japan is merely the renunciation of wars of aggression. If, in accordance with your views, Article 9 is revised and the right of collective self-defense in line with international norms is recognized, the natural outcome will be that Japan's Self-Defense Forces can take part in wars like the post-9/11 Afghanistan War and Iraq War, which the international community does not view as wars of aggression, and can use military force together with US armed forces. What is your view of this?

#### **4. Politics and Money**

- (1) Although the scandals relating to misuse of political funds by former Minister of State for Economic and Fiscal Policy Akira Amari and former Tokyo Governor Yoichi Masuzoe have further increased the public's distrust of politics, neither of them has fully accounted for their actions. Needless to say, even after resigning as cabinet minister or governor, they cannot evade their accountability to the citizens of Japan or Tokyo. Minister Amari was an important official in the Abe Cabinet and Yoichi Masuzoe became Governor of Tokyo through an initiative of the ruling parties. What kind of leadership will you show to ensure that both of them fully explain their actions? Please state your views.

Respectfully yours,

Katsuya Okada  
President  
The Democratic Party