

Briefing by President Okada
Café Democrats, March 27, 2015

1. Inequality

- I consider that the most pressing challenges facing Japan in the medium- and long-term are the shrinking population, the declining birthrate, the aging of the population, and the budget deficit; and in the short-term, widening inequality. According to the OECD, Japan's relative poverty rate is 29th out of 34 OECD member nations. Furthermore, Japan's rate of child poverty among single parent households is the worst in the OECD (excluding the Republic of Korea for which no statistics are available).
- Inequality erodes trust among the people, undermines social ties and subverts social dynamism. OECD research in December 2014 concludes that inequality significantly curbs economic growth. Inequality can thus place an excessive burden on the budget due to rising social security costs and other factors. As many developed countries struggle with inequality, I believe Japan should aim to exit the existing situation and become a model nation of low inequality among developed countries.
- I presented these statistics to Prime Minister Abe at the Diet and asked the Prime Minister about his views on inequality. The Prime Minister responded that "the current level of inequality does not exceed a tolerable level" and "the level of inequality has remained the same." I have checked various statistics and observed many regions and have come away with the impression that inequality is a grave issue in Japan. Prime Minister Abe and I hold completely different views on inequality.
- Within the DPJ, I created the Headquarters for Constructing a Society Based on Mutual Coexistence based on my own recognition of the issue. During the campaign period for the general election at the end of last year, many voters expressed to us that the DPJ's objectives were unclear. To respond to voters' demands, the Headquarters will present a clear and detailed picture of the society that the DPJ is striving to create.

- The Headquarters will focus mainly on income and asset inequalities, examining the situation, the impact on society, and countermeasures. It is of the foremost importance that we support children, women, and young people who are facing dire circumstances, and provide them with opportunities to have hope for the future and to maximize and unleash their potential.
- The Headquarters will compile an interim report this October. We will then hold party discussions, which will also include the local branches of our organization. Our vision differs entirely from that of the Abe administration, which was founded on the principle of “making the strong stronger.” I am convinced that the DPJ can offer the Japanese people an alternative to what the Abe administration proposes.

2. Security legislation

- The DPJ calls for the withdrawal of the Abe Cabinet's decision last July to permit the exercise of the right to collective self-defense. The Constitution of Japan rests on the principle of "constitutionalism" in which the sovereign people keep political power in check. Notwithstanding this, in last year's Cabinet decision, the Cabinet, without holding public debates, exercised political power to revise the interpretation of the Constitution, which is tantamount to revising the Constitution. This constitutes a breach of constitutionalism.
- Japan has followed the path of a peace-loving nation based on the fundamental principles of an "exclusively defense-oriented policy" and "no use of force overseas." Under the pretext of "departing from the postwar regime," Prime Minister Abe is attempting to allow the use of force overseas by developing new security legislation based on last year's Cabinet decision. This would mark a radical shift in the principles that have supported our peace-loving nation.
- If Prime Minister Abe is set on following through with this radical shift, then he needs to come face-to-face with the people, and carefully explain what this entails, why it is necessary, its impact on people's lives, the risks to the Self-Defense Forces, and more. Nonetheless, the Abe Cabinet has neglected all such efforts since the Cabinet decision. I am deeply concerned that Japan's security policy will undergo a major transformation without the public's full understanding.
- While the new security legislation is vague on many items, the following are examples of the problems I find with the legislation at this point in time:
 - (1) The legislation is not explicit about the need for permanent law in connection with providing logistical support to the forces of other countries, or the cases in which logistical support will be provided. Furthermore, the government is attempting to adopt an extremely problematic concept to define places where logistical support can be provided, namely, "the scene where combat operations are not actually being conducted."
 - (2) The Act on Measures to Ensure the Peace and Security of Japan in Perilous Situations in Areas Surrounding Japan was originally designed to contribute to the effective implementation of the

Japan-U.S. Security Treaty. The removal of geographic restrictions and enabling supports to forces of other countries aside from the U.S. Forces, for example, significantly deviate from the original purpose of this law.

- (3) The government has not provided an adequate explanation regarding the need for the right to collective self-defense. Furthermore, the three new conditions for the use of force are themselves vague and do not constitute any concrete checks against the government.
- (4) The joint document of the ruling parties contains no explanation of participation in collective security measures, despite the government approving this at the Diet.

The government needs to clearly explain how the above items are consistent with the responses that the government has thus far provided at the Diet.

- In light of the changes in the security environment surrounding Japan, the DPJ insists that, first and foremost, the government must establish a bill for strengthening the patrols of Japan's territories. We have already submitted a bill for this during last year's extraordinary session of the Diet, and we will submit it again during the current Diet session.
- On this basis, the DPJ will carry out party discussions regarding the new security legislation to be submitted to the Diet in May. It is a given that the government makes its strongest efforts to secure peace and security in Japan and the lives and property of the people. However, we will not allow the government to revise the fundamental principles of security with neither public debate nor public understanding.

International Comparison of Poverty Rate (2010)

○Japan's relative poverty rate ranks 29th out of the 34 OECD member states.

○While Japan's child poverty rate is at 25th place among the 34 OECD members, the country ranks in 33rd place with respect to the poverty rate of single parent households with children.

Relative poverty rate			Poverty rate			Households with children								
Total population			Children <18			All households with children			Single parents with children			Couple families with children		
1	Czech Republic	5.8	1	Denmark	3.7	1	Denmark	3.0	1	Denmark	9.3	1	Germany	2.6
2	Denmark	6.0	2	Finland	3.9	2	Finland	3.7	2	Finland	11.4	2	Denmark	2.6
3	Iceland	6.4	3	Norway	5.1	3	Norway	4.4	3	Norway	14.7	3	Norway	2.8
4	Hungary	6.8	4	Iceland	7.1	4	Iceland	6.3	4	Slovak Republic	15.9	4	Finland	3.0
5	Luxembourg	7.2	5	Austria	8.2	5	Austria	6.7	5	United Kingdom	16.9	5	Iceland	3.4
6	Finland	7.3	6	Sweden	8.2	6	Sweden	6.9	6	Sweden	18.6	6	Sweden	4.3
7	Norway	7.5	7	Czech Republic	9.0	7	Germany	7.1	7	Ireland	19.5	7	Austria	5.4
8	Netherlands	7.5	8	Germany	9.1	8	Czech Republic	7.6	8	France	25.3	8	Netherlands	5.4
9	Slovak Republic	7.8	9	Slovenia	9.4	9	Netherlands	7.9	9	Poland	25.3	9	France	5.6
10	France	7.9	10	Hungary	9.4	10	Slovenia	8.2	10	Austria	25.7	10	Czech Republic	6.0
11	Austria	8.1	11	Korea	9.4	11	France	8.7	11	Iceland	27.1	11	Slovenia	6.7
12	Germany	8.8	12	United Kingdom	9.8	12	Switzerland	8.7	12	Greece	27.3	12	Switzerland	7.2
13	Ireland	9.0	13	Switzerland	9.8	13	Hungary	9.0	13	New Zealand	28.8	13	Hungary	7.5
14	Sweden	9.1	14	Netherlands	9.9	14	United Kingdom	9.2	14	Portugal	30.9	14	Belgium	7.5
15	Slovenia	9.2	15	Ireland	10.2	15	Ireland	9.7	15	Mexico	31.3	15	New Zealand	7.9
16	Switzerland	9.5	16	France	11.0	16	Luxembourg	9.9	16	Netherlands	31.3	16	Luxembourg	7.9
17	Belgium	9.7	17	Luxembourg	11.4	17	New Zealand	10.4	17	Switzerland	31.6	17	United Kingdom	7.9
18	United Kingdom	9.9	18	Slovak Republic	12.1	18	Belgium	10.5	18	Estonia	31.9	18	Ireland	8.3
19	New Zealand	10.3	19	Estonia	12.4	19	Slovak Republic	10.9	19	Hungary	32.7	19	Australia	8.6
20	Poland	11.0	20	Belgium	12.8	20	Estonia	11.4	20	Czech Republic	33.2	20	Canada	9.3
21	Portugal	11.4	21	New Zealand	13.3	21	Canada	11.9	21	Slovenia	33.4	21	Estonia	9.7
22	Estonia	11.7	22	Poland	13.6	22	Poland	12.1	22	Germany	34.0	22	Slovak Republic	10.7
23	Canada	11.9	23	Canada	14.0	23	Australia	12.5	23	Belgium	34.3	23	Poland	11.8
24	Italy	13.0	24	Australia	15.1	24	Portugal	14.2	24	Italy	35.2	24	Japan	12.7
25	Greece	14.3	25	Japan	15.7	25	Japan	14.6	25	Turkey	38.2	25	Portugal	13.1
26	Australia	14.5	26	Portugal	16.2	26	Greece	15.8	26	Spain	38.8	26	United States	15.2
27	Korea	14.9	27	Greece	17.7	27	Italy	16.6	27	Canada	39.8	27	Greece	15.2
28	Spain	15.4	28	Italy	17.8	28	United States	18.6	28	Luxembourg	44.2	28	Italy	15.4
29	Japan	16.0	29	Spain	20.5	29	Spain	18.9	29	Australia	44.9	29	Chile	17.9
30	United States	17.4	30	United States	21.2	30	Chile	20.5	30	United States	45.0	30	Spain	18.2
31	Chile	18.0	31	Chile	23.9	31	Mexico	21.5	31	Israel	47.7	31	Mexico	21.0
32	Turkey	19.3	32	Mexico	24.5	32	Turkey	22.9	32	Chile	49.0	32	Turkey	22.6
33	Mexico	20.4	33	Turkey	27.5	33	Israel	24.3	33	Japan	50.8	33	Israel	23.3
34	Israel	20.9	34	Israel	28.5	34	Korea	-	34	Korea	-	34	Korea	-
	OECD average	11.3		OECD average	13.3		OECD average	11.6		OECD average	31.0		OECD average	9.9

Source:OECD (2014) Family database "Child poverty"

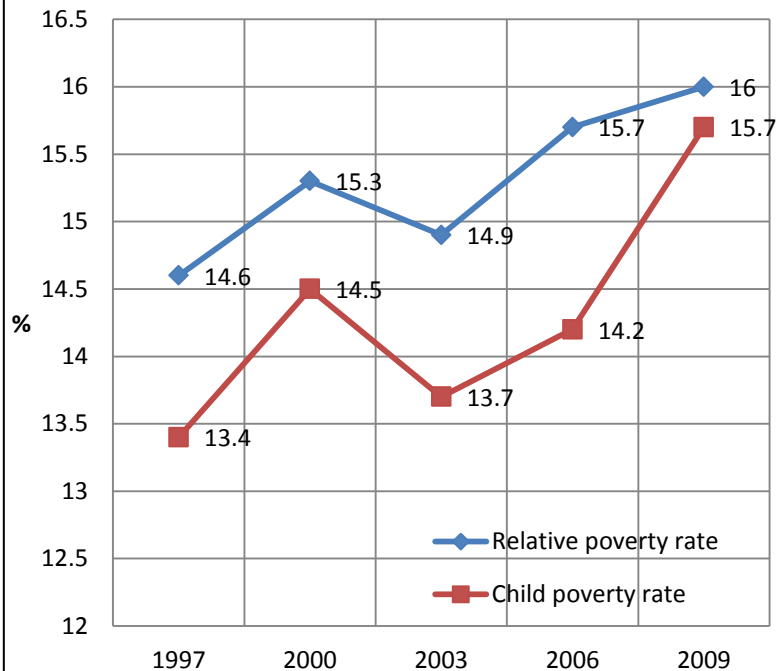
* Data refer to 2009 for Hungary, Ireland, Japan, New Zealand, Switzerland and Turkey; 2011 for Chile.

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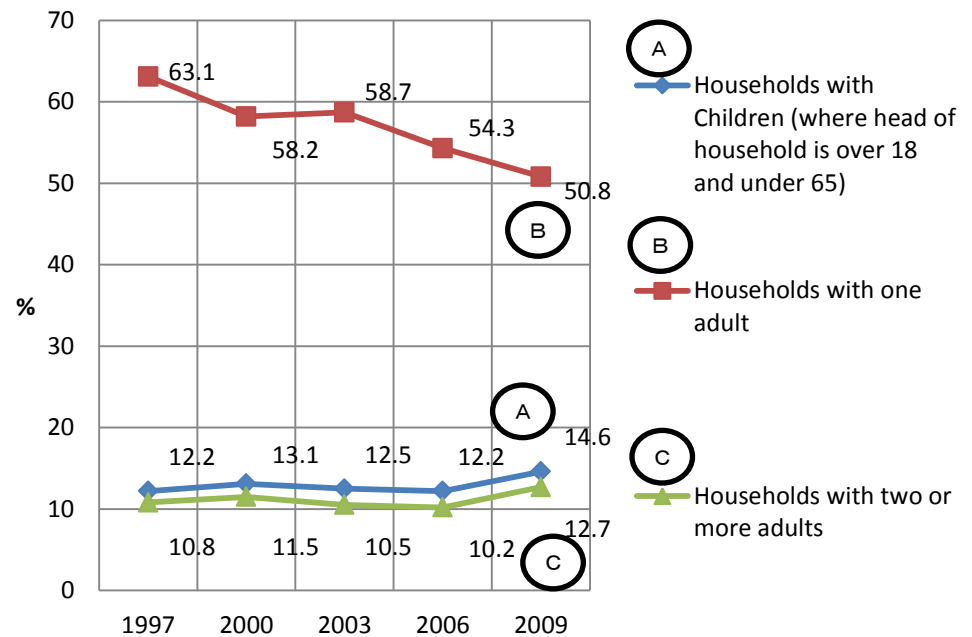
Changes in Japan's Relative Poverty Rate

- Japan's relative poverty rate is at 16.0% of the total population, while the child poverty rate has now reached 15.7% of children according to the latest figures (conducted in 2010).
- Meanwhile, the relative poverty rate of single-parent households with children stands at 50.8%.

Annual Changes of the Relative Poverty Rate



Relative Poverty Rate for Family Members of Households with Children (where head of household is over 18 and under 65)



Source: Comprehensive Survey of Living Conditions 2010
Statistics Ministry of Health, Labour and Welfare

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