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## **TOWARD BIGGER JCP THAT MAKES HISTORY**

**Speech**

by

**SHII Kazuo**

Japanese Communist Party Executive Committee Chair

at

**The 38th Akahata Festival**

Tokyo, November 3, 2002

*The Japanese Communist Party's 38th Akahata Festival was held  
from November 2-4 in Tokyo's Yumenoshima Park, Koto Ward,  
near Tokyo Bay, with 200,000 people attending.*

*Translated by  
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*The following is a translation of the speech by Japanese Communist Party Executive Committee Chair SHII Kazuo on November 3 at the 38th Akahata Festival held in Yumenoshima Park, Koto Ward, Tokyo.*

Good afternoon, everyone. Beautiful day today, isn't it?

Thank you for coming to the Akahata Festival. I also would like to express our gratitude to the performing artists, international guests, including representatives of diplomatic corps, and all those who are supporting the Akahata Festival in many ways.

I would like to take this opportunity to think about the role of the JCP at the start of the 21st century, which is a very tumultuous time, both in Japan and the rest of the world.

The JCP is a party that has the courage to face up to any adverse historical currents, including those in favor of war and those undermining living conditions and democracy.

I am going to present, from a number of angles, the JCP as a constructive party that has reasonable proposals and the power to act to solve any questions, whether concerning foreign affairs or the economy.

## **Iraq Question: How Can an International Majority in Opposition to War be Formed**

The biggest issue facing the present-day world is the U.S. plan to attack Iraq. U.S. President George W. Bush denounces Iraq for sponsoring terrorists and developing weapons of mass destruction. He says that replacing the Iraqi regime is the only way to get rid of the serious threat to the United States. President Bush has said military action may be needed

to achieve this objective. This is a declaration that the United States will not hesitate to make a preemptive attack against Iraq.

He has gone so far as to say that for the sake of peace, the United States will lead the allies to go into Iraq and disarm Saddam Husein. This is a declaration that the United States will attack Iraq unilaterally without a U.N. decision.

***Serious danger of war is facing us, but we reject a view that a war is inevitable***

The growing danger of war is giving rise to criticism in many countries throughout the world. Arab League Secretary-General Amr Moussa said an attack on Iraq would "open the gates of hell" in the Middle East. No one can tell how high the casualties will be or what the outcome will be.

Everyone knows that it is the region plagued by the Israel-Palestine conflict. The attacks by the Ariel Sharon government of Israel on Palestinians have increased Arab people's anger to the boiling point. No one can say for sure that attacks on Iraq will not escalate into a major war or a large-scale conflict.

Can we avoid a war? The threat of war is real. However, we do not believe that war is unavoidable. Whether it can be avoided will largely depend on the heightened level of awareness and popular movements against the war. The JCP has been making every diplomatic effort to form an international majority calling for a war to be averted to pave the way for a peaceful resolution.

***Unite in opposition to war on Iraq by putting aside differences over the war on Afghanistan***

What is the way to build up an international anti-war majority? We have been pointing to the need for reason to attract reasoned people. We have been calling for three things.

First, the planned war against Iraq is different from the retaliatory war on Afghanistan. A "response to the terrorists" won't serve to justify the planned war. The JCP opposed the war on Afghanistan, but we know that last year there were arguments in favor of that war, recognizing it as a "response" to the terrorist attacks on the United States. A number of countries were pressured into unwillingly approving the war on Afghanistan.

But this time around, the United States is unable to show any evidence that links the Iraqi regime to the 9/11 attacks. Isn't it time for the whole

world to set aside differences of attitude toward the war on Afghanistan and unite behind opposition to the planned war on Iraq?

***Iraq has international duty to accept U.N. inspectors***

Secondly, the Iraqi government must fulfill its responsibility to destroy weapons of mass destruction in compliance with U.N. Security Council Resolution 687.

This resolution was in response to the Iraqi invasion of Kuwait. Iraq has an international obligation to accept United Nations inspections without condition, which is essential for leaving no room for any pretext of war and averting the planned war.

***Our common slogan: 'defend the U.N. Charter'***

Thirdly, what should be the common slogan for our international cooperation? We need no more than one slogan, "defend the U.N. Charter." It's a very simple slogan, isn't it? "Simple is beautiful."

A preemptive attack is a violation of the U.N. Charter no matter who carries it out for any reason whatsoever. Once such an illegal act is condoned, the 21st century world will come under the rule of terror and power instead of law. How dismal it would be! Our struggle is based on the great cause of defending the world peace; we will not tolerate any violation of the U.N. Charter by the United States or any other country. I want to emphasize the need for the world to unite behind this great cause.

**JCP Works to Help to Get Anti-War Voices to be Heard Throughout the World**

This is the position on which the JCP has carried out activities trying to seize every opportunity to make the opinion calling for the planned war to be avoided become the overwhelming majority opinion.

Central Committee Chair FUWA Tetsuzo held talks with Jiang Zemin, Communist Party of China general secretary in August and with Nong Duc Manh, Communist Party of Vietnam general secretary in September. These meetings marked an important step forward in confirming their "opposition to attacks on Iraq."

## ***JCP delegation's tour of six Middle Eastern countries was epoch-making***

In October, a JCP delegation led by OGATA Yasuo, JCP International Bureau director and member of the House of Councilors, visited six Middle Eastern countries (Jordan, Iraq, Egypt, Saudi Arabia, Qatar, and the United Arab Emirates), producing very significant results.

To begin with, it was epoch-making that this kind of tour took place.

Note that the JCP delegation visited Saudi Arabia and had very good discussions with Saudi officials. In 1991, at the time of the Gulf War, when Ogata visited the Saudi Arabian embassy in Tokyo to deliver a JCP letter calling for the war to be avoided, he was told not to come closer than five meters to the ambassador. The reason Ogata was given was that they do not sit side by side with communists.

But this time around, when we visited the Saudi Arabian embassy before the start of the Middle East tour by a JCP delegation, the embassy expressed willingness to accept the JCP delegation. In fact, our delegation was given a warm welcome in Saudi Arabia. Saudi officials appreciated the JCP for its good understanding of Saudi Arabia's foreign policy. They even said that the JCP is a friend of Saudi Arabia. Things have changed dramatically during the past 10 years.

### ***Two significant achievements of the JCP delegation's tour***

I would like to cite two significant results from the JCP delegation's tour.

One is that we have found the significance of agreement between Middle Eastern countries' governments and the JCP: that no war must be started against Iraq; that no one has the right to use force from outside to overthrow another country's government; and that Iraq must completely implement related U.N. resolutions for a peaceful resolution of the question based on the U.N. Charter.

The countries, which the JCP delegation visited, all regard their relations with the United States as the key to their foreign relations. The fact that the JCP and these countries have common ground shows that our reason is acceptable anywhere in the world.

The other important result is what Saadun Hammadi, Iraq's National Assembly speaker, stated in answer to questions asked by the JCP delegation about weapons of mass destruction. He said that U.N. inspectors will have access to all facilities and sites, including the eight presidential sites, without condition. We know that Middle Eastern countries have tried hard to persuade Iraq to allow U.N. inspectors into

Iraq and avert a war. The JCP's proposal in conjunction with these pressures proved to be effective in having Iraq respond to the call positively. Thus, a first step was made forward toward a political solution.

In the meeting with the Iraqi official, Ogata was straightforward in urging Iraq to stop concealing the facts or deceiving the international community. He said Iraq should be earnest in allowing the international community to know all the facts instead of using this issue to gain political benefits. Iraqi National Assembly Speaker Hammadi agreed with Ogata. When I learned this from Ogata's report, I felt proud of the JCP role as a party of sovereign independence which can speak out in conformity with internationally accepted reason.

### **Japanese Government Must Oppose Attacks and Reject War Cooperation**

The question now is the Japanese government's attitude. At a one-on-one debate with the prime minister in the Diet on October 30, I pressured Prime Minister Koizumi to state clearly that Japan is opposed to the planned attacks on Iraq.

#### ***Japan's statements in favor of a solution without war must be put into practice***

On that occasion, I referred to what the JCP achieved in its tour of Middle Eastern countries and conveyed straightforwardly some of the opinions our delegation collected in the Middle East concerning what they want the Japanese government to do. Many of the Middle East government representatives our delegation met said that the region's people have a sense of closeness to Japan because of the historical fact that Japan never colonized the Middle East. Saying that Japan could have a greater role to play, they expressed hope for Japan to act to avert a war.

Prime Minister Koizumi's answer did not contain any statement about "opposition to attacks on Iraq." However, he promised to make "diplomatic efforts to find a solution without having to go to war."

Then, why doesn't the government take advantage of the war-renouncing Article 9 of the Japanese Constitution to take a serious part in international actions to solve the problem without war? Why doesn't it express its opposition to attacks on Iraq and its refusal to cooperate in such a war? If Japan is to honor the U.N. Charter, it should do so. Let us demand that the Japanese government do so.

Opposition to attacks on Iraq is attracting thousands upon thousands in each of the many anti-war rallies. And in Japan, tens of thousands of

people are attending the Akahata Festival. Let us take this occasion to make our unanimous call heard all over the world: Say no to war; say yes to the U.N. Charter.

### ***Contingency legislation shall not pass***

I would also like to issue a call on everyone to be alert to the possible danger of the passage of the contingency legislation and to take part in the struggle to stop the scheme. At a time when the United States is brazenly following a dangerous global strategy, I want to point out the dangerous role the contingency legislation will play in Japan's possible participation in war. The three ruling parties are poised to rush into getting the bills enacted, now that the revised bills are in place. The modified bills will not change the dangerous essence of the legislation. On the contrary, it shows a breakdown of the bills' rationale. Let us speed up efforts to put an end to the three contingency bills.

### **JCP Proposals and Activities for Peace and Friendship in East Asia -- China, Southeast Asia, and North Korea**

A major development has taken place in the situation relating to Japan-North Korea relations. On September 17, the Japanese prime minister and the North Korean leader met for the first summit ever between the two countries and agreed to reopen normalization talks, which have actually started.

The day after the summit meeting, I attended a meeting between the prime minister and opposition party leaders and stated, "I gather that the prime minister had to make a difficult decision to resume talks. The JCP firmly supports the prime minister's position that there can be no improvement without holding talks."

We stated our support in that way as part of the JCP's various proposals and activities aimed at building relations for peace and friendship in East Asia.

### ***With the JCP 21st Congress Resolution as the starting point, the effort has made progress faster than expected***

The starting point of the new effort was the Resolution of the JCP 21st Congress in September 1997.

The resolution set forth six points to focus on in the effort to establish peaceful relations with other East Asian countries. First, Japan will work to expand the current of rejecting nuclear weapons. Second, Japan will

join the non-aligned movement to get the military alliances abolished in Asia. Third, Japan will take the lead in achieving significant disarmament. Fourth, Japan will make efforts to solve disputes through peaceful negotiations. Fifth, Japan will admit that it was wrong for Japan to have carried out the war of aggression and colonized other countries. Sixth, Japan will make efforts to democratize economic cooperation with the Asian countries. These policies are what "an independent and neutral Japan" will carry out in the future as part of its East Asia diplomacy under a democratic coalition government after breaking away from the Japan-U.S. military alliance. In fact, we envisaged this as something to be done in the distant future. At the time, we had contacts with few East Asian countries, including Vietnam.

But this plan in reality has been implemented faster than expected by the JCP 21st Resolution.

In 1998, the JCP and the Communist Party of China normalized their relations and began to develop a new bilateral relationship. Four years ago, Chair Fuwa used his visit to China to propose the "Five Principles for Japan-China Relations" as norms of relationship between our two countries. When Chair Fuwa visited China this past August, he found that the "Five Principle" had become the "well-known five principle in the political and theoretical circles." Chair Fuwa has recently wrote serial reports entitled, "Five Days in Beijing," which were published in 44 installments in Akahata and were well received as stories that convey the real atmosphere the talks had. This series of reports tells vividly of the rich discussions that took place there on wide-ranging issues facing the world. Lenin and Japanese popular songs were also among the topics discussed.

In our relations with Southeast Asian countries, a JCP delegation toured the region's countries for the first time in 1999. This marked the beginning of the JCP's exchanges with the region's ruling parties. The delegation confirmed that a great change is under way in favor of peace. This part of the world has a major framework for peace, the Association of Southeast Asian Nations (ASEAN) with all countries of the region participating and standing firmly for the rejection of nuclear weapons and military alliances and for the peaceful resolution of international disputes. All this would help the region's people get free from any worry about war. Actually, ASEAN countries have been taking a great initiative for international peace, particularly in the effort to get nuclear weapons abolished. The same is true of attitudes toward the retaliatory war in Afghanistan. Malaysia, Vietnam, and Indonesia were courageous enough to openly voice their opposition to it.

## *JCP proposals influenced real politics in dealing with Japan's relations with North Korea*

That takes us to the next topic: Northeast Asia. The key issue here is how we can end the adversarial relations and establish friendship with North Korea. This involves difficult questions that can only be solved by using wisdom and patience.

North Korea's Taepo-Dong missile launch in the summer of 1998 provoked a hair trigger alert situation between Japan and North Korea. Another difficult issue pending between Japan and North Korea is how to solve the abduction question.

In January 1999, Chair Fuwa in the Diet made a proposal for a negotiating channel to be opened between Japan and North Korea as a necessary step to end the vicious circle of military responses. In November of the same year, he made another proposal that the pending issues between the two countries, including missile launches, the abductions of Japanese nationals, and the settlement of historical questions, can only be solved through negotiations, and called for a negotiating channel to be opened unconditionally.

Let me touch briefly on the JCP's relations with North Korea. We have been critical of the lawless acts repeated by North Korea outside the country since the 1980s. They attacked us fiercely in reply to our criticism of them, breaking down relations between the JCP and the Workers' Party of Korea (WPK) for a long time. If Japan is to solely resort to military force in responding to North Korea's incomppliance with internationally accepted rules, it could end up with the worst consequences. Japan needs to keep calm all the more because the other side is like that. We proposed opening a negotiating channel precisely based on this view.

This proposal of ours later proved to be effective in real politics. Following Chair Fuwa's second proposal in parliament in November 1999, former Prime Minister Murayama Tomiichi approached me and said, "I am thinking of assembling a delegation made up of all political parties to North Korean, the aim being to create an environment that will help set up a negotiating table between the Japanese and North Korean governments. I want the JCP to take part in it." He also said, "Mr. Fuwa's proposal is important."

I said to Mr. Murayama, "An important thing in opening a diplomatic channel between the two governments is that such a move should be without condition."

Mr. Murayama said, "That's exactly so."

So we discussed among ourselves and decided to send KOKUTA Keiji,

JCP Diet Policy Commission chair and House of Representatives member and OGATA Yasuo, House of Councilors member, as JCP members of the supra-partisan delegation to North Korea. The delegation's visit produced important results. It reached agreement with North Korea to start government-to-government talks between the two countries without precondition. It was also important that a negotiating channel was established to discuss the abduction issue.

Thus, Japan-North Korea talks began. Despite some interruptions, this led to the Japan-North Korea summit meeting held this September, a dramatic turn of events. The JCP firmly supported the resumption of normalization talks with North Korea as part of our consistent proposals and actions to develop peace in East Asia using a reasonable course.

Only with reason can we make progress in diplomacy.

### ***Komei Party must stop using the abduction issue for party politics***

I want you to know that there is a political party that tries to approach this issue from a very peculiar perspective. I am talking about the Komei Party, which has found the abduction issue instrumental for denigrating the JCP by distorting the facts. The Komei Party even used its question time in the plenary session of the House of Representatives to unleash similar attacks. I refuted their allegations during my question time the next day. I said:

"A Komei Party representative argued as if the JCP has had close relations with North Korea, which is not true. The fact of the matter is that the JCP was the most vocal of all political parties in criticizing North Korea for trying to force us to accept the personality cult of Kim Il-Sung in the 1970s and for internationally carrying out a number of lawless acts in the 1980s. That's why the JCP has long cut off relations with the WPK .

"Before raising the issue, the Komei Party needs to explain what it did in 1972 when North Korea's unusual international activities were being called into question. At the time, the Komei Party's chairman led a delegation to visit North Korea. The delegation and the North Koreans issued a "joint communique" in which the Komei Party accommodated itself to the personality cult of Kim Il-Sung. Why hasn't the Komei Party admitted that it was wrong to do so?"

I would like to take this opportunity to call on the Komei Party to be careful about avoiding using this question as a leverage to carry out party politics, particularly at a time when the Japanese people are deeply concerned about the abductions as a serious problem that affects human lives.

## **Solution through Peaceful Talks will not Backpedal**

What about the future development of the issues involving Japan and North Korea?

### ***How can we bring success to these dialogues?***

The effort to solve the abduction issue has just begun, and the major task is for the government to carry out talks with North Korea with a view to finding a solution that is acceptable to the victims, their families and the Japanese people.

North Korea's nuclear development program runs counter to the "Japan-DPRK Pyongyang Declaration," in which the two countries stated, "They would comply with all related international agreements." This violation concerns not only the United States and North Korea. The "Pyongyang Declaration" is the most recent international agreement concerning nuclear weapons. Japan, as the only victim of nuclear war, should use negotiations to ensure that North Korea will honor the terms of this declaration and immediately halt its nuclear weapons development.

It is reported that at the normalization talks that reopened late last month, differences persisted over the abductions and the nuclear development program. But, after the talks, the Japanese ambassador said at a news conference, "Although the talks didn't produce significant results, both sides were in agreement on the need to seek to solve the problems in accordance with the 'Pyongyang Declaration.' I want to keep persevering in my efforts to resolve all those pending issues at the normalization talks."

This ambassador's statement suggests how important the "Japan DPRK Pyongyang Declaration" is. The JCP calls on both governments to make further efforts to solve the problems through discussions held in a reasonable and sensible manner.

### ***We have good reason to believe that return to war won't occur so easily***

I don't think it's appropriate to tell for sure what will happen next, but there is one thing we can definitely be hopeful about: a return to the road to war will not occur easily in this part of the world and we must not allow that to happen.

The 1994 crisis on the Korean Peninsula over North Korea's nuclear development program is still fresh in our memory. The United States was on the brink of initiating war. William Perry, U.S. defense secretary at the time, recently revealed in an article for the Washington Post that the U.S.

government readied a detailed plan to attack a North Korean nuclear facility. But the United States predicted the disastrous consequence that "thousands of U.S. troops and tens of thousands of South Korean troops would be killed, and millions of refugees would crowd the highways." Then South Korean President Kim Yong-sam called U.S. President Bill Clinton to urge him to give up the war plan. The United States did so. South and North Korea as well as the United States concluded that such a war is impossible, thus paving the way for former U.S. President Jimmy Carter's visit to North Korea, followed by a process aimed at a peaceful solution.

On the question of North Korea's nuclear development program at this time, you will hear no one calling for war. The United States, South Korea, Japan and the rest of the world are in complete agreement on the need for a "peaceful solution." In dealing with this question, everyone has learnt lessons from the 1994 crisis. Although history may face complicated adverse currents, in a broader perspective, history certainly is in favor of peace.

***Our opposition party diplomacy shows how the nation's diplomacy should be***

The JCP will continue to strive to develop its diplomatic effort to make East Asia a region of peace and friendship free of any worry about war. This effort of ours can flourish when we establish a democratic government to abrogate the Japan-U.S. Security Treaty and achieve the nation's true independence, that is, when the JCP's opposition party diplomacy becomes the diplomacy of the future governing party or government. We will do our utmost to realize this goal.

**Fiscal and Financial Remedies for the Economic Recession were Wrong**

Now, let me move on to the issue of the Japanese economy and the people's livelihoods. Everywhere on the Japanese archipelago people are hard hit by the economic recession. This economic recession that began in the early 1990s still persists in the new century. The end of the recession is not in sight. Why? I must say it is because the government policy is wrong.

There can be two means of dealing with the economic recession, fiscal and financial. The problem is that the LDP government has never used these two means in the interests of the people.

***LDP fiscal policy has plagued the country by squandering tax money to benefit major contractor construction companies***

Let's take a look at the fiscal policy. In the last decade, the government policy has only helped to establish an extraordinary system that allows 50-trillion yen of tax money to be spent on public works projects. It began with the Basic Plan for Government Investment made in 1990 in response to U.S. pressure. Under the plan, the government was to use 430-trillion yen over the next decade. It was later modified to allow the use of 630-trillion yen over the next 13 years. Such an exorbitant use of tax money for expanding public works projects was what the "Basic Plan" was about.

I have studied the government data to find out how much tax money was used for public works projects. In the 1980s, about 279-trillion yen was used. The figure for the 1990s was 460 trillion, an excess of 30-trillion yen over the target number set forth by the 1990 "Basic Plan."

This method is aimed at allowing the government to spend tax money on public works projects not because they are needed but because it is necessary to spend all the funds that have been allocated. This up-side-down expenditure has made what might be called the "general contractors disease" prevalent nationwide. This disease is problematic in that it prompts one to squander money for construction of wasteful facilities: sea ports, dams, and airports. Those who are infected with this disease do not care whether these facilities are needed and whether they pay. "After us, the deluge," is what these wasteful public works projects are about. In fact, they have ruined many green fields and mountains, leaving lumps of concrete in their wake. You can find many examples of such failures throughout the country.

As a result, central and local governments' debts have soared to 1.4 times Japan's gross domestic product (GDP). The government tried to shift its fiscal failure onto the people by increasing the consumption tax rate and cutting social services. That the LDP government does not qualify to run the national fiscal administration is a conclusion obvious from a decade-long politics of corruption.

***Maintaining zero-interest rate policy using tax money for major banks and allowing banks to forcibly collect debts from small businesses***

What about the government's financial policy? The task of banks is to use depositors' money as bank loans to companies for profits, and part of the profits will be returned to the depositors in the form of interest payments. This is what banks are about. But in the last decade, banks have not been doing what they should do.

Under pressure from the United States, the Japanese government around 1994 began a ultra low-interest rate policy. The official discount rate was lowered to two percent, and then to zero percent. This is simply extraordinary. During the last ten years, household income from interest has decreased by more than 30-trillion yen.

The distortion began in 1996 when the government used tax money to dispose of failing housing loan companies called "*jusen*." In 1998, the government carried out a massive injection of tax money for helping major banks. Believe it or not, during the last four years, the government used 30-trillion yen for banks, an amount none of us here may have obtained. Can you imagine that 20-billion yen is drawn out of the government's coffers every day, including Saturdays and Sundays. Look, medical costs elderly people have to pay for their treatment at clinics and hospitals were increased from October. It's an increase of 200-billion yen, which is the amount of money banks receive from the government in just ten days. Who can tolerate such an irresponsible policy of massively using tax money for banks?

On the other hand, banks' reluctance to lend money to small- and medium-sized businesses and their high-handed debt collection pose serious problems now. In the last five years, loans for smaller businesses have been reduced by 60-trillion yen. Sixteen percent of bank loans were forcibly collected. Funding is often referred to as the economy's blood. It is said that if 15-20 percent of the blood of smaller businesses is taken away, their lives will be at risk. How brutal it is to take away 16 percent!

The Japanese government has been dictated by the United States into using these two means of fiscal and finance policy to serve the interests of large general contractor construction companies and major banks. These means have never been used to help improve the people's living conditions. On the contrary, they have been used to add to the hardships the people have to endure.

This failure of the LDP's economic policy is the root cause of the prolonged economic recession. The LDP no longer qualifies to run Japan's economy.

### **Let's Stop Exorbitant Policy of Forcing People to Pay More and Forcing Smaller Businesses into Bankruptcy in Disregard of the Major Economic Recession**

What is Prime Minister Koizumi's government doing to deal with this problem? Far from trying to correct the wrong approaches it has followed for the last 10 years, the government is speeding out of control along the wrong way that will dump the Japanese economy into the ocean's unfathomable depths.

The other day, I used my question time in the House of Representatives on behalf of the Japanese Communist Party to grill the prime minister, asking him if he believes this is the right course for Japan to follow.

***The government is asking the people to endure extra heavy burdens without stating anything about the possible consequences and responsibility for it***

One question I asked the prime minister was about fiscal policy, which can be described as a reckless way of forcing the people to pay more in spite of the deepening economic recession.

The Koizumi government is planning to force the people to endure an additional burden of three-trillion-plus yen for social services. In addition, it is developing a plan to increase one- or two-trillion yen in revenue by increasing the tax rates for working people and small- and medium-sized businesses. At a time of steep decline in ordinary people's incomes due to massive corporate restructuring, bankruptcies, and unemployment, such an approach that imposes an even heavier burden on the people will be disastrous. When I asked the prime minister to comment on that, he only said, "Institutional reforms are necessary." This shows his inability to present the people with any prospects of improving the economy or accepting his responsibility.

***Speed-up of disposal of banks' bad loans involves risks of allowing large U.S. investment banks to control Japan's financial services***

The other issue I asked the prime minister was about financial policy. The reckless "speed-up of the disposal of banks' non-performing loans" is under way at the cost of small- and medium-sized companies.

Using data, I pointed out that during the Koizumi Cabinet's first year, bad loans have increased instead of decreasing, and that the policy of forcing small- and medium-sized firms out of business is the source of a vicious circle of an economic slump and an increase in bad loans. I told him to fundamentally review the present government policy. But his answer was, "I reject the criticism that my policy has created a vicious circle." Since he is at the middle of this vicious circle, he can't see the vicious circle as a vicious circle. How blind this is!

In the financial sector, the recklessness has increased since TAKENAKA Heizo, minister in charge of economic and fiscal policy, assumed the post in charge of financial services at the same time.

The other day, the cabinet decided to accelerate the write-off of banks' bad loans. This, in fact, was a copy of U.S. policy. The Japanese

government did as told to by the U.S. government to pave the way for U.S. investment banks to control Japan's financial market. It's unacceptable because it's tantamount to selling off Japan. When the Long-Term Credit Bank of Japan went bankrupt, the government injected three-trillion yen for its temporary nationalization. But after all, the failed bank was sold off to a U.S. investment firm. This implies that there is a danger that U.S. corporations will make further inroads into, and control of, the Japanese financial market.

This will certainly drive the banks into a fierce competition over forcible debt collection from smaller businesses. The Japan Research Institute, a private think-tank, estimates that the major banks alone will collect a maximum of 93-trillion yen and cause 3.32-million people to lose their jobs.

***Small- and medium-sized firms that have survived the economic recession must not be labeled bad***

Note that most of the firms which are classified as having bad debts are those that are repaying debts in compliance with agreements despite the hardships they are experiencing under the present economic recession. Simply because of declines in the value of real estate or mortgages, those companies are classified as having bad debts. I must say that a government that treats those smaller businesses striving to survive the economic recession as bad firms must be labeled a "bad government." What we must dispose of is such a government.

Some LDP officials expressed concern about this policy of the early disposal of bad loans. Although they are the ones who are responsible for the failures of small- and medium-sized businesses, they are now disputing the policy of bankrupting these firms. Unable to envisage the future or have confidence, Prime Minister Koizumi keeps saying, "I entrust Mr. Takenaka (minister in charge of economic and fiscal policy and financial services) with everything." In parliament, Prime Minister Koizumi looks dispirited. Unable to tell what's going to happen next, he seems to be freezing and running out of control at the same time.

Let us join our forces to stop these reckless approaches: imposition of even greater hardships on the people and promotion of bankruptcies of small- and medium-sized businesses.

**Let's Fight to Secure our Future under the Slogan 'No Reconstruction of the Japanese Economy without Reconstruction of Living Conditions'**

*Even pro-business think-tanks are calling for a review of the plan to force the people to endure more hardships*

In an effort to safeguard people's living conditions from the major economic recession and take a step towards overcoming the present economic crisis, the JCP has put forward a four-point emergency plan and is joining together with the people to realize this.

First, we call for the cancellation of the plan that will force the people to pay an extra three-trillion yen for social services.

Second, we demand that the plan for increasing taxes on working people and small- and medium-sized businesses be revoked.

Third, we call on the government to end the policy of bankrupting small- and medium-sized businesses in the name of writing-off bad loans.

Fourth, we call for all unjust labor practices, including unpaid overtime work, to be eliminated from workplaces and for the safety net for the unemployed to be improved.

The JCP's position is: No reconstruction of the Japanese economy without reconstruction of living conditions.

Recently, a warning came from a pro-business think-tank called the Nissei Research Institute. In its "Weekly Economist Letter," the think-tank stated that an increase in the people's burden of social services for next year, which the government is considering, could further discourage people from spending money and trigger another economic slump, although the size of individual items may be small. The report also called for a review of the plans for increases in people's burdens saying that it is necessary to adjust the plans by taking into account economic conditions.

An extra burden of three-trillion yen was an issue I raised at the one-on-one debate with Prime Minister Koizumi in July. We are much heartened by the fact that those who are concerned about the present Japanese economy are calling for the present government plans to be reviewed. Let's work to expand the circle of our struggle to achieve these pressing demands.

***Important gains of the struggle to eliminate unpaid overtime work and discrimination against women and the struggle to defend regional financial institutions***

At last year's Akahata Festival, I emphasized that struggle is the only way to secure our future. In the past year, the Labor Standards Inspection Office advised 16, 059 business establishments throughout the country to eliminate unpaid overtime work. Shiba Shinkin Bank workers recently reached a victorious out-of-court settlement in the Supreme Court with the employer. The workers had been demanding that the bank stop discriminating against women employees in promotion policies and pay them the differences in back pay. The increase in the number of women section chiefs is good news. At a time when many of the nation's credit associations (known as "shinkin banks") are forced into bankruptcy as a result of excessively strict capital assessments by the Financial Services Agency the struggle to defend regional financial institutions has made progress. All this shows how struggles in the workplaces and local communities are producing significant results that will help establish democratic rules to regulate the economy.

Let us fight together to develop a hopeful 21st century and create a society that is kind to all people, old and young, and all working men and women. We will make the JCP stronger and bigger to back up the struggle.

**Combine the Call for Equitable Globalization and Efforts to Maintain the Peace Based on the U.N. Charter**

Finally, let me draw your attention to world affairs.

***High-handed U.S. came under fire at U.N. Earth Summit***

From late August to early September, government and environmental NGO representatives from 190 countries met in Johannesburg in South Africa for the United Nations Summit on Sustainable Development. The summit was held due to the need to change away from the past unsustainable development which has been propelled by mass production and mass consumption without regard for the devastating effect such a policy will have on the global environment. The summit was seeking ways of development that take into consideration the gap between rich and poor, the global environment, and hope for future generations.

In the era of economic globalization, the growing gap between rich and poor and environmental destruction were condemned at the Earth Summit. At present, the world has a population of about six billion, and 20 percent of the world population are forced to live in extreme poverty on less than

one dollar per day. The number of people who can't have access to drinking water has reached 1.1 billion. About 6,000 people, mainly children, are dying of such diseases as diarrhea caused by unsanitary water. Every day, twice as many people as the death toll in the 9/11 attacks on the United States are dying because of unsanitary water.

At this Earth Summit, the United States was widely criticized for resisting international agreements on eliminating poverty and protecting the environment while trying to impose its economic model on the rest of the world. In place of U.S. President Bush, who did not attend the summit, U.S. Secretary of State Colin Powell delivered a speech on behalf of the United States.

Japanese daily *Asahi Shimbun* of September 5 reported as follows: "His speech was interrupted by chants 'Shame on Bush,' claps, and jeers. When Mr. Powell began speaking again and said, 'The U.S. is taking action to meet environmental challenges, including global climate change,' his voice was drowned again by jeers and a tapping of rejection."

This represents the world people's anger at a handful of forces in the United States who are trying to force the world to accept the U.S. economic system as the global standard in an attempt to monopolize all benefits from it

In the present-day world, the movement to seek "just and democratic globalization is developing in many ways. It is important to note that it is merging with the struggle to defend the world peace based on the U. N. Charter in opposition to the planned military attack on Iraq.

### ***Conditions will mature for imposing democratic rules and overcoming capitalism in the 21st century***

The world of the 21st century will never allow the superpower to continue its hegemony, militarily and economically, under the law of the jungle. The popular struggle for social progress may experience twists and turns but will develop a new world with democratic and just rules.

Also, the 21st century will be a century in which capitalism as a profit-first system that causes economic depression, unemployment, poverty, hunger, environmental destruction, and speculative investment will be overcome and replaced globally by a new social system that prepares the way for socialism.

The JCP, which has undergone many trials in the last 80 years since its founding, is now taking up tasks of the 21st century. It has an even greater role to play for the progress of humanity.

As a first step toward fulfilling the task, we will wage a victorious political battle in next year's simultaneous local elections and the House of Representatives general election. With this, I conclude my speech.

( E N D )

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