

*Taro Aso & Yasuo Fukuda, LDP Presidential Candidates*

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The Foreign Correspondents' Club of Japan

Opening Statement

By Taro Aso

Thank you very much for inviting me. To save time, I will give you my opening statement in English. I will then answer your questions in Japanese.

I will talk about my economic policies, and foreign policies. But first, may I say this.

Had I not chosen to run, there was absolutely no election. People in Japan could not have heard any policy debate.

This race, ladies and gentlemen, is about an Old LDP versus a New LDP.

You saw an Old LDP gathered force overnight. It was

such a deja-vu, bringing me back to twenty, thirty years ago.

Many times, I have talked on my policies. You are the ones, among the first ones, who know what I stand for, on Japan's directions, and on Japan's policies.

My hope is, that my fellow members of the party would choose their leader based on what they believe in.

I say this, because now is the time for Japan to need a strong leader, a reliable leader that leads the machine in Kasumigaseki, not the one, who is tempted to be led by the very machine.

A massive devolution, that gives power to the local governments: A complete reconstruction of the pension scheme: And a set of policies that would give “entrepreneur spirit” once again to the Japanese to drive the economy...

We must do them and do them now.

And to do it you need a leader, a kind of leader, who can encourage and inspire the people with his vision, and lead them with his guts.

I have already spoken a bit on my domestic agenda.

It is to unleash the tremendous potential the people in Japan have, because I have never lost faith in how they can turn themselves around and to grow.

And by the way, given the size of Japanese economy that is bigger than China, Russia, and India put together, a 2.5% growth of Japan can create an entire Singapore. And I see no reason as to why you cannot be optimistic on

that.

How do I want to do this?

Three points, here.

Number one:  
to fill the gap between the rural and city economies.

Number two:  
to seek growth and lead the nation just like turning around a company.

And number three:  
to fix the pension scheme and to provide people with hope for the future.

Now, to bring the local economies back into growth, what is to be done?

You need no roads that lead to nowhere, or bridges that connect nothing.

But you need to give more, much more freedom to local governments for them to build their economies by themselves.

I will change the tax system in order for it to happen.

In other words, I will push forward a massive devolution process that Prime Minister Koizumi wanted to do, and I for one started to do as Interior Minister.

How about seeking growth?

You need an eye of a seasoned manager to see where the fat is and to find the first string to be pulled to make changes happen.

Mr. Koizumi found the string in the postal saving system.

I shall continue deregulation in a more effective way.

Here is an example.

This is what I did five years ago when I was LDP Policy

Chief.

Back then, to do anything involving administrative procedures, you had to give the government, local or central, documents in paper form.

I counted the number.

It turned out, 52,100 kinds of actions needed paperwork to be sent, or to be handed to the government.

I changed all that, by introducing just a single bill, “Bill Number 151 in the year 2002”.

Now, you can do everything on-line. You don't have to show up at the local government office. You click on your computer, and you are all set.

That is what structural reforms are like. It is to reduce the cost of Japanese economy, enhancing your profitability, giving more to the shareholders, paying more to the employees.

And on the pension scheme, I will ensure that each and

every man and woman gets a notice from the government so that he, or she, can have a clear picture about what is going on in their pension.

That is to assure them, that they can have hope for the future.

Now, ladies and gentlemen,  
I have never lost hope in what the Japanese can do.

On foreign policies, I will say a couple of things.

But I see absolutely no need to speak on Japan-US ties. The importance of which is self-evident, and will it remain so.

Furthermore, they have never been stronger than they are now.

If you are interested, you can see how I view the US in my own essay, entitled, "I and America", in a book I published a couple of months ago.

On Asia, I shall waste no time, to deepen relations with Asian countries.

From Seoul to Beijing, to Singapore to Delhi, many opportunities await us.

I must also remind you, that I was the first Japanese Foreign Minister, who said openly, that I should welcome the rise of China.

Recently, they say in newspapers that Mr. Li Zhaoxing, former Chinese Foreign Minister, and I had a small talk in an unlikely place of a men's room and that paved the road for Japan and China to mend the fences.

I must admit that THAT was actually the case.

I have just revealed a state secret, but I feel very proud that Mr. Li and I got along very well indeed.

For Japan, few other countries are more important than the PRC. Good relationships are vital. I am glad to see that thanks to Prime Minister Abe, the ice between Japan

and China has melted away.

I must remind you also that I am very much bullish on the future of China.

Peace and happiness, ladies and gentlemen, always proceed in tandem with economic prosperity and democracy.

That is what is happening in this part of the world, from Indonesia to China.

I see that, actually happening almost everywhere, from Cambodia to Kazakhstan, from Georgia to Latvia.

Japan's presence, if it was in those places, could surely make a difference, for as I said here nearly two years ago, Japan is a "been there done that" nation, as she has had both good times and bad, successes and failures.

And it is from this belief, I worked with the people at the MoFA, to hammer out a new initiative to create an Arc of Freedom and Prosperity.

But please do not forget, you may say that that is my signature policy, the fact is, it is everyone's, because it is Japan's policy.

Last, without the hard work of the Japanese men and women in the SDF, without the dedication and discipline they showed on the soil of Iraq, and in the ocean off India, we could not have come this far.

The respect they have gathered from their colleagues in NATO and US forces has been for me a source of tremendous pride.

I shall not turn the clock backwards, on the foreign policy front, on the domestic front, and within my dearest party.

Thank you very much.

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