

Manifesto 2004

Directly and Single-mindedly

**The Democratic Party of Japan
(DPJ)**

Directly and Single-mindedly

**Together with the People, Creating a New Kind of Politics
and a New Japan**

—Katsuya Okada's View of Japan—

The people of Japan have strength, and for the regions, the possibilities abound—
We will create an upright society

Politics must straighten itself up—
We will be resolute in fulfilling our responsibilities to the future

Honest Politics

Seeking to Place Politics Back into the Hands of the People

Today, We Face an Era of Change

The Japan of today has lost direction. It is going round in circles, unable to take advantage of that superb characteristic of the Japanese people: their industriousness. The prospects for the economy are clouded in uncertainty; there is creeping anxiety about employment; there is a great deal of angst about the future, symbolised by mistrust of the pension system; the education system is run down; crime is becoming more violent; and Japanese diplomacy is in a state of drift. The cause of all this is Japan's inability to cope with the new era, amid the change to a declining birth-rate and aging of society since its period of rapid economic growth.

Through the period of rapid economic growth, the Japanese people lost a great many things amid their quest for economic and material affluence. Work became an end in itself, and the home was neglected. Japanese people forgot the richness of human life. Economic growth consumed all our energy, and a US-dependent foreign policy and national security structure arose, so that Japan lost its independence in thinking and acting as a nation. What is more, under the centralised power structure, the regions also lost their independence.

I am convinced that the Japanese people have strength and have potentialities. At the same time I am certain that Japan's energy lies in the regions. Most people think not only of themselves, but also think seriously about their families, their friends, their local community, and other people in general as they throw themselves into their lives. They are resolved to fulfil their responsibilities to future generations. Each of them has the strength to face up to and take on the challenge of difficult issues. A country like that has a future.

Each Japanese person has this strength, and the regions are bursting with this energy, but in spite of that, the bureaucrat-led political system and old-guard politicians do not notice this, or pretend not to notice it, and persist with the politics of dividing up the benefits among themselves. Since politics cannot remodel itself into a structure that befits the new age, our entire society feels suffocated and hemmed in.

To bequeath a Japan full of hope to future generations, the country must be changed. We must change our politics and achieve genuine reform. If we act now, we still have time.

First, Politics Must Straighten Itself Up

The true mission of politics is to prepare for the future of the nation by pointing out the broad direction in which to go, and translating that into a concrete form. That means not being swayed by circumstances, and hammering out robust policies with firm timelines. We must look ahead to the future, face up to reality, and rid ourselves of anxiety. With our eyes fixed firmly on our future, it is essential to take up the challenge of creating a new kind of politics that will see us over the next 10 to 30 years.

To achieve that, the first priority is to reshape politics. During the 15 years since I entered politics I have pushed ahead with political reform. As a politician I have remained steadfast in seeking to place politics back into the hands of the people, who have become alienated from it; in having the will of the people reflected in politics; and in seeking to create a genuinely democratic society.

We must eradicate the conglutination of politicians, bureaucrats, and big business, and bid farewell to the warped situation in which politics is abused for the protection of vested interests. The situation in which politicians, despite being chosen by the people, adopt a holier-than-thou attitude, living complacently in their own narrow world divorced from good sense in which they, is not conducive to achieving a type of politics that sits down face-to-face with the people. In particular I want to start by ensuring the firm establishment of the kind of politics in which we see no more incidents involving politics and money, and that is highly transparent, open, and honest. Then it will be my task to restore rationality to this country's politics, and return to normal politics that everyone can acquiesce in and that is familiar and easy-to-understand.

The DPJ was born, and exists, to carry out this responsibility. The DPJ is the party that is not a slave to vested interests and preconceived ideas, and that argues from the standpoint of the people. As the leader of the DPJ, I want to seize this time of change as an opportunity for reform, and work relentlessly to reform this country's politics. My desire is to create a Japan that offers hope, and what is needed now is political leadership.

Creating an Upright Society

To release the energy within each and every person and the energy within the regions, and restore Japan's vitality, the first thing that politics must do is to make a substantial shift in the direction of the nation towards a decentralised society in which local issues are decided locally, in the regions themselves. There should be a change in the conception of governance to one in

which the central government handles only those matters that the regions cannot, for example creating the basic framework of the social security system, macroeconomic management, crisis management, and foreign policy. Within the regions, while giving one another mutual support, people will be able to care for their children and families and to achieve affluent lifestyles through the exercise of their own will. More than any other party, the DPJ strongly advocates the creation of a decentralised Japan.

The second task for politics is to create a society in which we entrust to markets the things that markets do best, and the vitality of the people is invigorated by economic activity. I believe that free competition through markets generates economic vigour, gives birth to new industries and employment, and creates a wide choice of jobs and occupations. The role of the state should be limited to removing regulations, eliminating excessive interference by government agencies, laying down rules to assure fair competition, and exercising oversight. It is essential to realign the Japanese economy into a framework in which the vitality of the people engages in healthy competition under the aegis of these fair-trading rules.

Third, the most important role of politics is to create a fair society in which great importance is given to individual freedoms. Examples of what I mean by a fair society are a deeply compassionate society with an extensive middle class, a society in which mutual respect is paid to diverse lifestyles, a society in which freedom of choice is guaranteed impartially, a society that carries out its responsibilities to future generations, a society in which people who work faithfully are rewarded, a society in which people who fail are given plenty of chances to try again, and a society that extends a helping hand to people who have not succeeded in gaining a reward for their efforts. We must build this kind of free and fair society: this upright society.

As a parent of three children, I myself feel that education has a major role to play in creating this kind of society: one that passes on a brighter future to the next generation. Just as a great deal of energy has been channelled into economic growth up until now, from now on Japan must channel more energy into the rearing and education of people.

Today, something that politics must tackle with great seriousness is diplomacy. Too little importance has been given to international cooperation centred on the United Nations. Even while basing our stance on reality, ideals must never be forgotten. Japan-US relations will remain very important to Japan's national security, but it is essential above all else to create a relationship of independence and equality between our two nations. The foundation of diplomacy lies in mutual interaction, confidence-building, and the building of cooperative relationships with neighbouring countries. Japan will not be able to achieve independent diplomacy and genuine national security unless it reestablishes itself as a nation that is truly

part of Asia, and keeps in step with the times by developing more advanced relationships with South Korea, China, and the ASEAN countries.

Boldness in Fulfilling Our Responsibilities to the Future

In the last general election the DPJ, thanks to widespread support among the people, was acknowledged as one of the two major parties constituting a two-party system. For this House of Councillors election, we hope that this manifesto will serve to further deepen understanding of the DPJ's thinking and policies. It is my strong hope that more and more people come to recognise that it is the DPJ that will speak frankly with the people of Japan, eye to eye, about exactly the things they want to discuss, even difficult issues, and that will fulfil with them our responsibilities to the Japan of the future.

It is no good thinking that someone else will change things. It is only through your choice based on your will that this country can be changed. Let us, together, move forward boldly in fulfilling our responsibilities to the future.

June 24, 2004

Katsuya Okada
President
Democratic Party of Japan

The DPJ's Eight Pledges for Creating a Free and Fair Society

Giving everyone peace of mind

1. To unify the pension system, so as to support diverse lifestyles.

Vitality from the grass roots

2. To switch tied grants into financial resources (¥18 trillion) for the regions, so as to draw out the inventiveness of the regions.

Creating dynamic agriculture

3. To establish a direct-payment system, so motivated people can invigorate agriculture and farming communities.

Entrusting to the market what it does best

4. Abolish business regulations in principle, and stimulate competition under fair-trading rules.

Helping people to take on challenges

5. To use "Young Work Service Centres" to help young people to gain qualifications and find employment.

Responsibility to the future

6. To shrink the role of the government, and restore authority over education to the regions.

A stance based on will

7. To establish diplomacy characterised by independence and equality, and based on international cooperation.

Straighten up politics

8. To increase the transparency of politics, and practice it in a sensible way.

Giving everybody peace of mind

1. To unify the pension system, so as to support diverse lifestyles.

We are entering an era in which throughout our lives we change our jobs and we change our style of working and our lifestyles, and accompanying that our incomes change.

Whatever course we choose in life, it is becoming increasingly important to build the foundations of our society in a way that gives peace of mind.

The DPJ will establish a pension system that is provided equitably and fairly to people no matter how diverse their lifestyles, and create a system of health and medical-care insurance that frees people from anxiety if they succumb to illness or accident.

Unify pensions to meet the needs of diverse lifestyles

Under the present pension system there are differences that arise from a variety of conditions, such as differences in jobs and working practices, and whether a person is a full-time housewife. The disparate nature of this system is a hindrance to the variety of job choice and to the choice of lifestyle, and this is giving rise to widespread feelings of anxiety and mistrust towards pensions. The DPJ will unify the pension system as soon as possible, and sweep away that anxiety and mistrust.

Abolish Diet members' pensions as part of the unification process

We will abolish the pension paid to Diet members, which is attracting mounting criticism among ordinary people as a special privilege. It will be unified with the same pension system for ordinary people, thereby eliminating the disparities and inequalities.

Eliminate the waste in pension insurance premiums

Together with the unification of the pension system, we will abolish the Social Insurance Agency and establish a "Revenue Agency" amalgamated with the National Tax Agency, thereby creating a structure for centralised collection of taxes and insurance premiums. That will resolve the problem of non-payment and will cut the waste from pension insurance premiums.

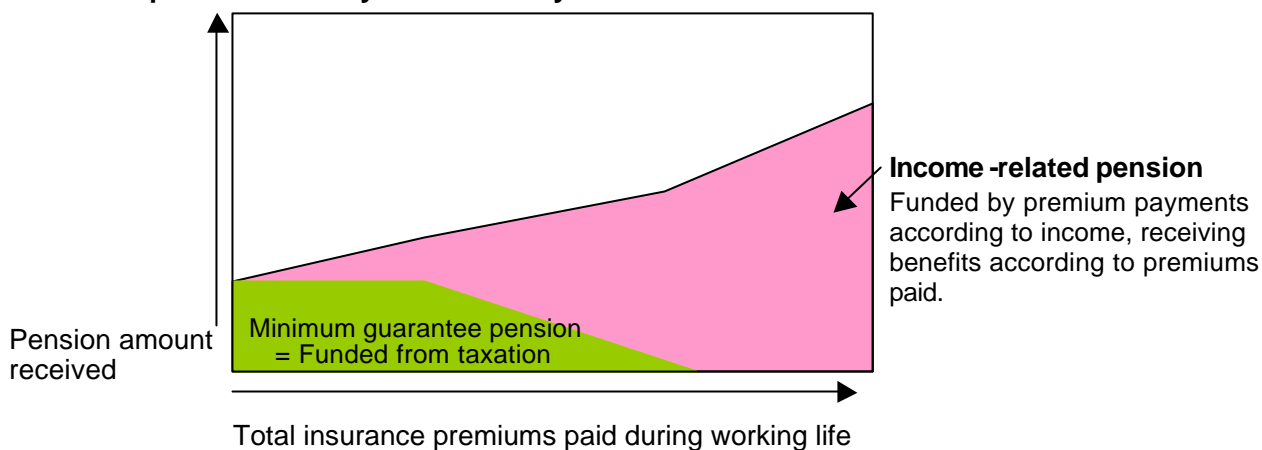
Guarantee everyone a pension

The new universal pension system for all citizens will be a two-tier system comprising an "income-related pension" funded by premium payments related to income, under which people will receive benefit in accordance with the premiums paid in, and a "minimum guarantee pension" for people on low incomes, which will be funded entirely from tax revenues (e.g. from consumption tax specifically for pensions), and will guarantee a fixed level of pension benefits. This will assure everyone of a pension, enabling people to advance into old age with peace of mind.

Enhance nursing care, health, medical care to support an affluent greying society

We will strengthen the foundations of nursing-care services, including by the large-scale development of group homes and residential homes for the elderly, and also aim to create a social environment in which fewer people need nursing care, and in which people do not become more seriously ill. In addition, to eliminate healthcare accidents and improper invoicing, we will make it obligatory to disclose medical histories and to issue statements of medical expenses.

DPJ Proposal: Unified system for every citizen



- No disparities based on occupation (Unification)
- Clarify the relationship between burden and benefit, and the allocation of roles between insurance premiums and taxes
- Everyone guaranteed minimum pension benefits in their old age

Vitality from the grass roots

2. To switch tied grants into financial resources (¥18 trillion) for the regions, so as to draw out the inventiveness of the regions.

The regions are rich in possibilities, and they should be replete with the energy of the people who live in them. However, long years of centralised political control led by bureaucrats has blocked that vibrant energy from manifesting itself. What is essential for releasing that energy and restoring vitality to regional communities throughout Japan is the thinking that "local matters must be decided locally".

The DPJ will have the courage to act from that perspective to shift tax resources and powers to the regions, and foster their revitalisation.

Limit the role of the state, and transfer powers to the regions

We will limit the excessively large powers of the central government ministries and agencies, transfer powers to the regions, and create a framework that gives freedom of policy choice to suit local needs. We will abolish the intricate array of compartmentalised and detailed regulations and interference by the government authorities. In fields in which activities are limited to specific entities licensed by local government offices, such as welfare, healthcare, and agriculture, we will bring about a change to a society in which local people are free to display their originality and ingenuity in ways that match their own needs, evoking the power of self-government.

Reduce grants, and increase funds that the regions are free to use

To develop the regions by means of local sovereignty and citizen sovereignty, powers and financial resources will be transferred simultaneously to the regions. Of the approximately ¥20 trillion of tied grants currently given by the central government to the regions, we will switch some ¥18 trillion to funds that the regions can make free use of (approx. ¥12 trillion of lump-sum grants and ¥5.5 trillion of transfers of tax-revenue sources). Through that we will support the independent, autonomous efforts of local governments in line with the actual situation in each locality.

Assist economic activity by local entities

We will establish creditworthy banks, and will support the revitalisation of local small and medium-sized enterprises. At the same time we will nurture industries and new businesses in the fields of welfare, healthcare, the environment, and information, restore vitality to regional economies, and create jobs and employment in the regions. We will also support the development of professional skills, human resource development, etc., to match the industrial needs of the regions.

Support regional development by harnessing people power through NPOs, etc.

The DPJ aims constantly for the type of politics in which citizens play the central role. Today in the regions, numerous non-profit organisations (NPOs) have emerged as the guardians of social services in a wide array of fields, such as nursing, childrearing, culture, health, environmental conservation, and the maintenance of townscapes and landscapes. We will create an environment in which these diverse NPO activities are fostered and supported, and in which local authorities and NPOs collaborate in building affluent local communities.

Create a decentralised Japan by strengthening the foundations of municipalities and introducing a system of states

By strengthening the foundations of municipalities and introducing a *do-shu* system (system of states), we will create a region-centred decentralised nation by transferring to the regions many of the powers currently exercised by the central government. At the same time we will strive to invigorate the communities closest to the lives of local citizens.

Creating dynamic agriculture

3. To establish a direct-payment system, so motivated people can invigorate agriculture and farming communities.

An agricultural sector that provides food security and abundant green spaces is a cornerstone of our national territory and of the lives of its people. We will increase self-sufficiency in the supply of agricultural produce, and nurture enthusiastic people to sustain our agricultural sector.

The DPJ will halt the current system of agricultural subsidies, which create excessive dependence on the government and politicians, and actively support agricultural managers, so as to ensure a thriving Japanese agricultural sector.

Switch from subsidy-sodden agriculture to a system of direct payments

We will halt the agricultural policy that has persisted up to now, which has been maintained by price-support policies and subsidies, and establish a direct-payment system as the pillar of a new policy for revitalizing agriculture and farming communities. This will be targeted at staple produce such as rice, barley, soybeans, minor grains, rapeseed, and produce for feedstuffs, at mountainous regions, and at environmentally friendly agriculture, so as to bring about a switch to a type of agriculture in which motivated farmers are freed from anxiety and can look to the future with confidence.

Strengthen and enhance food security and the system of import inspection

There is growing unease about matters such as agrochemical residues in imported vegetables, and outbreaks of BSE and avian influenza. To remove this anxiety and ensure the supply of safe, healthy food, we will establish trustworthy agriculture with a human face, by promoting consumption within producing areas and direct transportation from producing areas, and other measures such as the strict disclosure of producers' identities. At the same time we will substantially expand the system of inspection of imported foodstuffs, including by ensuring the display of the ingredients of raw materials in processed foods and the indication of place of origin, and appointing "international food inspectors". Domestically, we will promote organic farming and minimal use of agrochemicals.

Substantially revise the agricultural land system

In order to invigorate the agricultural sector and farming communities it is important not to neglect the problem of the abandonment of farmland and the difficulty of passing on land to successors, and to switch to a mechanism in which vigorous people of various types are able to assume responsibility for farmland and agriculture and engage in farming. To achieve that, we will stiffen regulations on the change of land use, and with respect to the use of farming land we will drastically ease rules on entry.

Invigorate agriculture with a diversity of management entities

We will promote the sharing of large-scale machinery and joint management and the formation of corporations in such fields as collective harvesting, the expansion of sales channels, and commissioned cultivation, so as to spur the establishment of more efficient agriculture with higher productivity. In such areas as idle farmland we will grant usage rights to NPOs and joint-stock companies, thereby expanding employment opportunities in the regions. We will also take active steps to create opportunities for suitably motivated urban company employees and retired people to take jobs in agriculture, for which rural municipalities will be the prime movers.

Ensure food self-sufficiency

To contribute to the stability of the global food supply-demand situation and to assure peace of mind and security among the people of Japan with respect to food supplies, we will endeavour to increase Japan's food self-sufficiency. By means of a sweeping shift of agricultural policy, we will first raise Japan's food self-sufficiency from 40%, its current level, to 50% within 10 years of forming the DPJ administration, and continue thereafter to raise it to at least 60%.

Entrusting to the market what it does best

4. Abolish business regulations in principle, and stimulate competition under fair-trading rules.

Free competition under fair-trading rules will in itself infuse vigour into the economy.

The DPJ will entrust to the market what the market does best, making a bold shift to a market-based society in which the power of the private sector can readily manifest itself.

Also, looking into the future, over the medium to long term we will strive to create the foundation on which to increase both human vitality and industrial competitiveness.

Eliminate in principle the regulation of business, creating a society that will give full play to corporate effort and entrepreneurial motivation

We will remove bureaucratic regulations that stifle the display of the entrepreneurial spirit. In particular, we will in principle do away with the business regulations that limit fields of activity to individual industries and impede participation by new entrants. We will switch this to a framework in which competition stimulates vitality and brings it to the fore.

Institute fair market rules, enabling competition to generate vitality

We will correct vague and opaque commercial practices and unfair business transactions, with the aim of establishing an economy in which fair market rules are adhered to. To that end we will drastically revise the Antimonopoly Act, and strengthen the powers of the Fair Trade Commission.

Support to nurture leading manufacturing industries

Japan's industrial superiority still lies in manufacturing, particularly in the sphere of assembly and processing technologies. We will increase that superiority still further and assure competitiveness, at the same time contributing to the building of a horizontal international division of labour encompassing Asia and other regions. We will put in place a tax system and other measures to accelerate R&D in these fields, and also address human-resource development.

Nurture new businesses and create employment

The invigoration of small and medium-sized enterprises (SMEs), which form the broad support base of Japanese industry, is the most important issue that faces us today. In order to support diverse start-up ventures to take on the challenge of new growth fields, and to assist highly motivated SMEs, the DPJ will establish creditworthy banks. In addition, in such spheres as personnel development, the enhancement of technical capabilities, and management know-how, we will implement priority comprehensive measures to assist entrepreneurs.

Aim to create a nation built on intellectual property rights, to strengthen competitiveness and technical capabilities

To enhance international competitiveness and promote science and technology, we will make the application of the Intellectual Property Basic Law more specific, for example for the purposes of strengthening the capacity to deal with intellectual property disputes and educating experts in intellectual property rights. We will also make strategic moves in such directions as promoting government-industry-academia collaboration and priority investment in R&D, and enhancing technology licensing organizations (TLOs).

Helping people to take on challenges

5. To use "Young Work Service Centres" to help young people to gain qualifications and find employment.

Another important role of politics is to assist people who wish to take on challenges in their jobs or their daily lives through the exercise of their own originality and ingenuity.

The DPJ aims to build a society that properly rewards the efforts of people who take on challenges in that way. We are convinced that this will produce strong-minded people who choose self-reliance rather than dependence, and a highly expressive society.

Guarantee open employment opportunities and ensure equality of treatment

As forms of employment become increasingly varied, we will formulate rules to enable anyone motivated to work to be able to do so without hindrance, and to be evaluated fairly. We will ensure equal treatment, so that part-time workers are not discriminated against because of their relatively short working hours. We will also expand the system of childcare leave, improving it so that people may take the leave in phases until their children enter primary school.

Create a mechanism to enable young people to show their worth

We will establish "Young Work Service Centres", through which personal advisers give young people who have lost their jobs or who are without work one-on-one assistance with finding jobs and participating in society. We will prepare schemes for the provision of on-the-job training and other courses in private-sector companies, and pay allowances if necessary. Our aim is to build a society that enables people to make a fresh start: in which people can get back on their feet after being unemployed or suffering business failure.

Create an environment favourable to senior citizens with the will to work

We will guarantee employment opportunities open to older people, by acting as an intermediary for finding places to work and by enacting a law to prohibit age discrimination in recruitment and employment. We will also create a mechanism for helping people to develop their capabilities for employment and participating in society.

Support NPOs and citizens' projects

We will substantially increase assistance through the tax system for specified non-profit organizations (NPOs), which provide social services in all parts of the country. To enable many of these NPOs to benefit from preferential tax treatment, we will ease eligibility conditions and make small donations of ¥10,000 or less tax-deductible. In addition, to encourage private-sector activities in the regions we will reform the system governing public-interest corporations, in order to make it possible for all NPOs to be established as legal entities by means of simple procedures, and to enable them to receive support through the tax system.

Assist the efforts of the challenged

We will extend vigorous assistance to the activities of people who, despite disadvantages such as physical handicap, strive hard to live self-sufficient lives. We will create a barrier-free society in which everyone can live with peace of mind, by establishing or improving small-scale vocational-aid centres and installing welfare equipment designed for various kinds of handicap. We will pay particular attention to making schools barrier-free, to enable disabled children to attend normal schools.

Responsibility to the future

6. To shrink the role of the government, and restore authority over education to the regions.

How should we rear the children who will assume responsibility for the era ahead, and teach them self-reliance?

It depends entirely on how they are educated.

Education is an extremely important task, since it entails rearing individual human beings.

In an age in which educational capability within schools has weakened substantially, the DPJ will reshape education in a way that restores school education in the regions and supports the environments in which children are brought up in homes and communities.

Face up to the realities of the situation in schools, and devote full efforts to the rebuilding of school education

Educational establishments are facing major problems, such as dysfunctional classes, violence in schools, and a decline in basic scholastic attainment. To give all children equal educational opportunities it is above all essential to revamp public primary and secondary schools. Action is needed; not mere wordplay. We do not want bureaucrats just thinking over the problems at their desks; we will support the nationwide application of experimental projects that are already being carried out in various parts of the country. We will also appoint a variety of higher-quality personnel to positions in educational establishments. For example, we will ensure smaller class sizes of no more than 30 pupils, appoint school principals by advertising the positions publicly and by not restricting appointees to the teaching profession, and implement group and individual learning in conjunction with local communities. Assigning education to local control will create a far wider range of choice of educational opportunities. By broadening the freedom of choice with respect to schools, we will provide parents and children with a diversity of educational opportunities.

Promote open school management

Our goal will be to create schools that are open to the community, so as to create opportunities for children to acquire strength of character and to learn from the experience of adults.

Education that builds the entire character of children is not something that should be entrusted only to schools; it is essential for the home, the school, and the community to work in unison to address and resolve problems. We will also encourage the formation of community schools in various formats, by introducing a mechanism through which organizations other than educational foundations can also participate in school management.

Provide learning opportunities at all times by improving the system of scholarships

We will substantially improve the system of scholarships, making them available at all times to anyone who wants them, irrespective of the economic circumstances of their parents. These scholarships will cover not only academic expenses, but also minimum living costs. In this way we will create a system under which anyone with the motivation to do so will be able to study: young people without receiving any assistance from their parents, or older people who are no longer of normal school or university age. Additionally, to introduce an element of competition into university education, we will switch to a mechanism in which universities do not depend on grants, but engage in friendly rivalry.

Limit the role of the state to special areas, and restore authority over education to the regions

We will reduce central government involvement in the content of education, doing away with the setup dating from the former Ministry of Education, which entailed involvement in almost every detail of school education, and central approval of textbooks. We will switch to an arrangement under which the central government confines itself to maintaining and improving the levels of primary and secondary education, and matters directly affecting day-to-day teaching and administration in schools are left to those schools to decide. For example, in the Ministry of Education, Culture, Sports, Science and Technology we will reorganise the departments in charge of primary and secondary education and other departments into a "Central Education Committee", and entrust all aspects of school education, such as planning, management, and teaching, to the regions.

A stance based on will

7. To establish diplomacy characterised by independence and equality, and based on international cooperation.

Japan has hitherto been called a "faceless country".

This is the result of maintaining a passive diplomatic posture towards the world, based on a foreign policy constantly devoid of strength of will.

The DPJ will change this negative stance, transforming Japan into an internationally oriented nation with a clear diplomatic will.

We will maintain positive diplomacy in which we act in concert with other countries and actively address the resolution of problems, making Japan a country in which the world can have confidence.

Give importance to international cooperation, and strengthen the functions of the United Nations

We will attach importance to international cooperation, and from that standpoint will participate vigorously in activities being undertaken by the United Nations. We will address the reform of the United Nations, and with the backing of domestic public opinion and support from other member countries, will seek to make Japan a permanent member of the Security Council. Japan will participate more positively in peace-building activities under UN auspices, and will study the specifics of the configuration of a possible UN standby force.

Build a relationship with the United States based on independence and equality

As regards Japan-US relations we will do away with the dependent relationship in which Japan ultimately has no alternative but to act in accordance with US wishes, replacing it with a mature alliance based on independence and equality. So that Japan's international cooperation can coexist with the Japan-US alliance, we will be tenacious in the approaches we make to the US government. Our goal will be to have a deep and meaningful relationship with the United States not only in the sphere of national security, but also in the political, economic, and cultural spheres. We will also pursue discussions for the revision of the Status of Forces Agreement and on such subjects as the reduction of US bases in Okinawa.

Make Japan truly an integral part of Asia

We will build comprehensive regional cooperative relations in East Asia. We will strengthen collaboration in a variety of forms, including by concluding free trade agreements, implementing environmental and crime-fighting measures, and cooperating in regional security, fulfilling our role and responsibilities as "a member of Asia". In addition, we will show strong leadership in moving towards the creation of a "Northeast Asian Forum", by building greater confidence among the nations concerned, and for assuring progress in dialogue on the subject of national security.

Rebuild the defence structure to enable Japan to deal with new threats

We will establish a new defence structure to enable Japan to deal flexibly with diverse new threats, such as from missiles, terrorism, guerrillas, cyber attacks, and incursions by suspicious vessels and armed infiltrators. The budget necessary for this will be compiled efficiently and effectively, including by making allocations from the existing defence budget.

Conduct environmental diplomacy with the world

We will engage in environmental diplomacy, taking the lead in addressing such problems as global warming and the depletion of the ozone layer. In parallel with this we will work in cooperation with other nations to seek the resolutions of issues affecting human security, including poverty, the violation of human rights, drugs, and infectious diseases.

Straighten up politics

8. To increase the transparency of politics, and practice it in a sensible way.

Politicians in Japan have lost the confidence of the people.

The DPJ believes that changing this situation and placing politics back into the hands of the people is one of the most important elements needed for the renaissance of Japan.

True vitality cannot arise in a society in which there is deep-seated distrust of politics, and apathy is prevalent.

It is important to halt the conglutination of politicians, bureaucrats, and big business and the heavy dependence on a bureaucrat-dominated administration, and to ensure that politics fulfils its true role.

Ensure political parties and politicians straighten themselves up and restore confidence in politics

We will first take a sharp knife to the opaque relationship between politics and money, and get rid of dishonesty. The DPJ already has external auditors conduct audits of its own political funding, and it will make this a legal obligation for all political parties.

End the conglutinated structure of politicians, bureaucrats, and big business, and create honest politics

By transferring financial resources to the regions in place of grants, and removing various business regulations, we will end the hotbed of collusion between politicians, bureaucrats, and big business. In addition, we will abolish totally the giving of political donations by companies receiving orders for public works. We will ensure total disclosure of donations by companies and organizations, and will improve the system of tax treatment of personal donations. We will also drastically strengthen current anti-graft legislation, in order to exert strict control over the persistence of influence-peddling by Diet members.

Correct the disparity of the value of a vote, and increase opportunities for participation in politics by the people of the country

The disparity in the value of a vote, which is in violation of the equality under the law enshrined in the Constitution, cannot be neglected any longer. If the will of every individual citizen is not reflected equitably, there can be no true democracy. At the same time we will take various steps to invigorate our democracy, for example by lifting the ban on use of the Internet for election activity, lowering the voting age to 18 in response to the growing political awareness of young people, and lifting the ban on door-to-door electioneering by candidates, so as to encourage direct dialogue between them and voters.

Ban golden parachutes for bureaucrats, a hotbed of impropriety

There remain many cases of bureaucrats who upon retirement are given cushy jobs in special corporations, government-authorized juridical bodies, and non-profit foundations, do the rounds of a number of organizations and companies, and receive huge retirement benefits well beyond the comprehension of ordinary people. These pampered ex-bureaucrats become the cement that binds together the nexus of politicians, bureaucrats, and big business, giving rise to injustices and scandals. This hotbed of impropriety, the cosseting of bureaucrats with post-retirement sinecures, will be prohibited totally by the DPJ, which will change politics and the government administration into a form that is in tune with the feelings of the people.

Cut the number of Diet members and total civil-service personnel costs by at least 10%

Above all it is essential for politicians and the government to clean up their act. To correspond with efforts being made in the corporate sector, we will move quickly to cut the number of Diet members and total civil-service personnel costs by at least 10%. We will also dispense with all arrangements that give unnecessary privileges to Diet members, including the abolition of Diet members' pensions.

The DPJ Manifesto: Detailed Policies

Since last year's general election we have listened to the people of Japan, reviewed our policies, made changes where they needed to be made, and further refined our manifesto. Set out below is our policy vision, formulated with a view to winning the next general election.

1 Create a Constitution for the Future

At present in Japan the government undermines the role of our Constitution by conveniently reinterpreting it to suit particular circumstances as they arise. If this continues, the Constitution will become increasingly meaningless and the people of Japan will lose faith in it. We believe that the Constitution forms the basis of government. In other words, it must be central to political activity. Therefore, we are intent upon protecting the provisions of the Constitution and will not allow them to be stripped of their substance or meaning. We believe there is a need to revive the Constitution, to oppose arbitrary interpretation of state authority, and to structure the Constitution as an immutable basic law. Based on this concept we will promote creative debate on the Constitution, not dwelling on the past but rather setting our sights firmly on the future. From a stance of creating a new constitution, we will further enrich the three fundamental principles of the Constitution—the sovereignty of the people, pacifism, and respect for basic human rights—to make them better suited to the needs of the 21st century.

With a view to realizing an open and transparent imperial household that is a fitting “symbol of the state”, we will revise the Imperial House Law to enable female succession to the throne.

2 Independent Diplomacy and International Cooperation

2-1 Conduct independent diplomacy and international cooperation

We will change Japan's passive foreign-policy stance, transforming it into a country with a clear-cut will in the realm of diplomacy. To ensure that the Japan-US alliance evolves in a meaningful way, we will make our basic stance towards the United States one of “cooperating when we ought to, and of speaking our minds when we feel we should”. In that way we can strengthen the relationship into a mature alliance. In the Asian region we will pursue mutual cooperation and confidence-building. We will strengthen Japan's collaboration and cooperation as a nation that is itself an integral part of Asia, including in the sphere of economic cooperation, for example by promoting the conclusion of free trade agreements, and also of regional security, the environment, education, and measures to fight crime.

Recently various misgivings concerning official development assistance (ODA) and doubts about its effects have arisen. We will institute thoroughgoing external monitoring and evaluation of results, with an emphasis on transparency and efficiency, as well as promoting collaboration with UN initiatives. In particular, we will reposition ODA as a diplomatic tool for achieving desirable outcomes from the perspectives of the environment, human rights, conflict prevention, and human security.

At the same time, we will take an active part in moves to reform the United Nations. Subject to the backing of domestic public opinion and the support of member nations, we will continue with the quest for Japan to become a permanent member of the Security Council.

Peace-keeping operations have gained the understanding and solid support of the people of Japan. In order to respond to the increasing diversity of requests for these operations, we will give active study to aspects such as a review of the criteria for the use of weapons by troops that are dispatched, and the manner in which the Diet should be involved in factors such as the conditions, scale, and periods of participation. In response to UN requests we will investigate concepts such as a UN multinational standby force to enable Japan to be directly involved in the creation, building, and maintenance of international peace. In order to address events such as genocide and war crimes that cannot be ignored in terms of international law, we intend to promptly accede to the Rome Statute of the International Criminal Court.

2-2 Build a defence force capable of protecting the people of Japan

Within two years of assuming power we will formulate new defence policies, reviewing Self-Defense Force structure, equipment, and deployment to create a force capable of responding flexibly to new and diverse threats including missile attack, terrorism, guerrilla warfare, cyber attack, and incursions by suspicious vessels and armed infiltrators. We will consider the necessity of a ballistic missile defence system from a broad range of perspectives, taking into account costs and benefits. Funding for the above initiatives will be switched from other areas of the defence budget to minimise any additional burden on public expenditure. We will work toward the prompt resolution of the northern islands territorial issue, which is a symbolic dispute over restoration of Japanese sovereignty, and take measures to protect Japan's territory, territorial waters, and exclusive economic zone, including the Senkaku islands and Takeshima Island.

2-3 Enact an Emergency Basic Law and establish an Emergency Management Agency to enable rapid response to emergency situations

An Emergency Basic Law (tentative name) will be enacted during next year's ordinary Diet session, covering definitions of emergencies, respect for basic human rights, obligations of

national and regional bodies, the role of the Diet, and other relevant matters. Furthermore, the establishment of an Emergency Management Agency (similar to the Federal Emergency Management Agency in the US) will enable rapid response to any emergency, such as domestic terrorism and major natural disasters or emergencies.

2-4 Tackle the North Korea problem head-on, including resolving the abduction issue

Resolution of North Korea's abductions of Japanese citizens is a matter of urgency from the standpoint of Japanese sovereignty and from a humanitarian perspective. We will press North Korea for a comprehensive solution to the abduction issue, including the speedy transfer to Japan of all abductees and their families and a full clarification of the abductions. The question of nuclear weapons and missiles is a vital one for regional security and resolving it will help build confidence within the region. Following the passing of the revised Foreign Exchange and Foreign Trade Control Law and the special measures law enabling the banning of certain vessels from entering Japanese ports, we will make every effort, including using legal avenues, to resolve the abduction issue and the problem of nuclear weapons and missiles. If substantial and concrete progress is not achieved within a certain period via these methods and the six-party talks, we will request assistance from the UN Security Council to resolve the issues. As well as actively addressing the problem of allowing people to leave North Korea if they so wish, we will strengthen the structure of maritime policing, including the exercise of control over illegal immigration and smuggling of stimulants from suspect vessels.

2-5 Review the form of reconstruction assistance for Iraq

Considering the question of transfer of sovereignty, the Self-Defense Force (SDF) troops deployed in Samawa should be withdrawn. The Special Measures Law for Iraq specifies that SDF personnel will only be dispatched to non-combat zones, but Iraq—where casualties continue to occur—does not meet that condition. The Law provides for activities relating to humanitarian and reconstruction assistance and security prior to transfer of sovereignty to Iraq. If Japan were to participate in a multinational force after the transfer of sovereignty, the application of this Law is not acceptable. We welcome the new UN resolution recognising the transfer of sovereignty to the interim Iraqi government, but Japan's reconstruction support must function effectively and Japan must make efforts to rebuild an international cooperative structure that will contribute to stability in Iraq and the Middle East. We do not believe the Self-Defense Forces should be dispatched to Iraq to participate in a multinational force whose aims and responsibilities will include the use of military force, given the question of right of command and doubts over the constitutionality of such a move.

2-6 Commence the revision of the Japan-US Status of Forces Agreement, including the strengthening of measures to deal with crimes

We wish to ensure the sound management of the Japan-US alliance, which is pivotal to Japan's foreign policy and national security. To achieve that we will embark upon a revision of the Japan-US Status of Forces Agreement with the aim of incorporating into it such elements as a principle sanctioning the handover of persons suspected of serious crimes to the Japanese legal authorities prior to prosecution, the principle of extending the jurisdiction of Japanese laws to US forces' facilities, and provisions relating to environmental conservation. Our goal will be to reach final agreement within three years. During the course of the negotiations for this revision and based on consideration of factors such as the situation prevailing in Asia, we will review the allocation of responsibilities between Japanese and US forces and take the opportunity of the current transformation of US overseas bases to work toward the relocation of Marine Corps bases in Okinawa to another country. We will request that the US return Futenma base, without any alternative facility being offered in its place.

2-7 Increase to 20% the ratio of appointments of people who are not professional diplomats to ambassadorial and other diplomatic posts

To develop a flexible and effective diplomatic service to serve as the "face of Japan", we will review the state of diplomatic establishments overseas and broaden the appointment of ambassadors and other diplomats (including ambassadors extraordinary and plenipotentiary) to include non-diplomats such as scholars, NGO officials, mayors, and former politicians, so as to conduct vigorous diplomacy that shows the true face of the people of Japan. The initial target ratio for these appointments will be set at 20%, to be achieved over a four-year period after the DPJ assumes power.

3 Restore Economic Strength

3-1 Sound macroeconomic policy

Macroeconomic policy is a question of managing fiscal and monetary policies, and taking sound measures in these two fields is a matter of urgency. Fiscal policy must reduce annual expenditure and reform the tax system to reduce the fiscal deficit (including the issuance of government bonds) and rapidly restore the primary balance (the fiscal deficit excluding interest payments). Monetary policy must aim to end the extraordinary measures of zero interest rates and quantitative easing as quickly as possible and return to a normal monetary environment.

We cannot rely solely on extraordinary macroeconomic measures. We will introduce a balanced range of economic initiatives, including structural reform focused on deregulation, regional revitalization through genuine decentralization of authority, boosting trade through the promotion of free trade agreements and other measures, enhancing industrial competitiveness with stronger support for research and technology development, and improving trading conditions, especially through exchange rates.

3-2 Achieve economic recovery, creating jobs and employment

In order to restore economic strength to achieve economic recovery and boost employment, it will be essential to expand domestic demand by stimulating private-sector demand. We will take a solid first step towards economic revival by sweeping away unease about current and future conditions, and by stimulating the creation of new jobs and industries to cater for dormant demand.

(1) Create employment, especially in the regions, and promote vocational training

We will increase employment and expand the number of new job opportunities by actively creating employment in the public and private sectors through measures including: regional economic initiatives focusing on small and medium-sized enterprises (SMEs) and decentralization; transformation of public works schemes, such as the creation of “green dams”; nurturing new businesses in the welfare and environmental sectors; creating quality living environments; and nurturing NPOs. We will also promote occupational training that makes the most of regional creativity and ingenuity.

(2) Stimulate demand and consumption by dispelling anxieties in such areas as living standards for the elderly and childrearing

We will stimulate consumption by eliminating anxieties people feel about current conditions and the future in such areas as pensions and nursing care, childrearing and education, and healthcare. In particular we will breed peace of mind and create new jobs by nurturing industries to create a comfortable society for our senior citizens, and industries to create a society in which it is easy to rear children.

(3) Switch to an economy in which importance is placed on the quality of life, e.g. by establishing a system that makes loan interest deductible

We will arouse latent demand and foster the development of an economy in which importance is placed on the quality of life: an economy oriented towards services. The means we will employ will include the establishment of a system of tax deductions for interest on loans for homes and cars, the lowering of distribution costs by making motorways toll-free, the

development of infrastructure to enable people to make effective use of their leisure time, and the nurturing of environmentally friendly industries.

(4) Expedite the removal in principle of the regulation on business activity, and stimulate corporate endeavour and motivation for business start-ups

To induce private sector vigour and creativity and to stimulate new demand, we will take steps such as eliminating regulations on business activity in the private sector and ensuring an environment conducive to fair competition. To that end, we will submit bills to the Diet that set out matters such as basic policy for the elimination in principle of business regulations.

(5) Promote the creation of a nation built on intellectual property rights, so as to enhance competitiveness and technical capabilities

We will endeavour to strengthen intellectual property rights in pursuit of a strategy of strengthening international competitiveness and promoting science and technology. We will make the Intellectual Property Basic Law firmer, and take steps to enhance mechanisms for dealing with intellectual-property disputes, to conduct the training of experts in intellectual property rights, to strengthen government-industry-academia collaboration in the regions and elsewhere, to revise budget allocations for research and development, to create an improved environment conducive to increasing the motivation of research scientists, to develop technology licensing organisations (TLOs), and to strengthen measures to deal with the problem of counterfeit goods and with infringements of patent rights.

(6) Drastically reform the Antimonopoly Act to align it with international standards

The Antimonopoly Act forms a legal basis for economic transactions. We will drastically reform it to: (i) raise surcharges to international levels, (ii) introduce a system to reduce or eliminate penalties (a system to reduce or eliminate penalties such as surcharges for businesses that voluntarily provide information on their own infringements), and (iii) in order to combat public sector bid-rigging, grant rights for compulsory investigation of government offices and rights to issue business improvement orders.

(7) Introduce competitive bidding system for radio frequencies and establish an independent body to monitor competition

To promote the effective use of the radio waves, we will introduce a competitive bidding system for radio frequencies. At the same time, we will establish a communications and broadcasting commission (similar to the US Federal Communications Commission) as an independent administrative authority to promote fair competition.

3-3 Drastically revise the use of tax revenues, and secure financial resources

(1) Cut public expenditure by ¥10 trillion

Under deflationary conditions it is very difficult to either raise tax revenues or make substantial reductions in overall government expenditure. Therefore, after the DPJ forms the administration it will as a rule maintain the present scale of public finances until such time as the economy is able to achieve stable growth. Economic revival will be given the highest priority as a means to restore soundness to public finances. However, reckless administration of public finances at this time, which pays no regard to the effect it is having, will not only impose too great a burden on future generations, but will also fan mistrust of public finances by, for example, increasing people's anxiety about the future and bringing about sharp rises in long-term interest rates, and as a result will hamper an economic revival. By reforming budgetary systems to make them easy for the public to understand, totally eradicating the monster that preys on our tax money, and taking immediate resolute steps to change the way budgets are used, we will pursue economic revival while at the same time maintaining fiscal discipline. During our term of office, we will cut public expenditure to the tune of ¥10 trillion through drastic public sector reform and utilise these funds to implement measures that befit the times and as resources for financial reconstruction.

(2) Disclose all information on special accounts and abolish unnecessary accounts

Special accounts are opaque and tied to the vested interests of each government agency. We will disclose comprehensive information on these accounts, creating and providing accounting information that makes it easy to understand the overall fiscal situation. As part of this process, we will move quickly to abolish any special accounts that no longer have significance or that rely on grants from regular accounts.

3-4 Boldly change the use of tax money

(1) Halt wasteful public works, and switch emphasis to people's daily lives and the environment

Our target is to cut public works controlled directly by the government by 30%, or ¥900 billion. We will halt construction and planning for large-scale directly controlled public works projects such as the Kawabegawa dam project (Kumamoto Prefecture; total project cost ¥265 billion) and the Yoshinogawa moveable dam plan (Tokushima Prefecture; total project cost ¥104 billion), which are classic examples of wasteful spending. For these we will substitute projects that genuinely aid regional development.

In addition, we will closely examine other projects such as the Tokuyama dam (Gifu Prefecture) project. We will then divide them into categories according to how to deal with

them, for example whether they should be frozen, terminated, or revised, and start immediately on the most feasible. With respect to projects such as the Isahaya Bay land reclamation project, on which work is well advanced (¥225 billion of the total cost of ¥249 billion already spent), and the Nagaragawa estuary dam project, which has been completed, we will review what is to be done with them after sounding out the view of local residents and local governments. Our aim is not to reduce the overall extent of projects but to make it possible to undertake more projects for less expense. We will achieve that by reforming tendering procedures so as to prevent collusion, including by introducing regular competitive bidding for public projects at the national and regional levels, by strengthening the Act concerning Elimination and Prevention of Involvement in Bid Rigging etc., and by expediting the introduction of electronic tendering.

(2) Abolish the Japan Highway Public Corporation, and make most motorways toll-free

The Japan Highway Public Corporation Privatization Law enacted by the government is a sham; in reality the building of unneeded motorways continues. We intend to make motorways easy to use in the regions, to lower distribution costs, and to bring greater convenience into people's daily lives by making motorways toll-free. In tandem with that we will return the making, use, and management of roads, which have hitherto been in the thrall of various interest groups, to local communities and the people.

(a) Abolish the Japan Highway Public Corporation and make most motorways toll-free

To make best use of motorways, which are not used effectively despite the huge investment made in them, stimulate regional economies, and reduce distribution costs, we will make all motorways toll-free, except those in certain major urban areas and during certain periods, within three years. We will abolish the four public agencies involved with highways (the Japan Highway Public Corporation, the Metropolitan Expressway Public Corporation, the Hanshin Expressway Public Corporation, and the Honshu-Shikoku Bridge Authority). Eliminating tolls will not only reduce costs to motorists but will also greatly increase the number of entrances and exits to motorways, with the result that regional motorways will be brought back to life as local roads that local people can make good use of in their daily lives. The consequent reduction in distribution costs and transportation times related to consumption of agricultural, livestock, and marine products will also help to strengthen the productivity base of the agricultural, forestry, and fisheries sectors. Some ¥2 trillion must be spent annually on motorway-related debt repayments and road maintenance and management. A portion of the combined budgets for national and local roads, which currently total ¥9 trillion, could be diverted to that, and other funding could be derived from exceptional tolls payable only in major urban centres, which would be imposed as part of measures to deal with congestion and environmental damage.

(b) Abolish earmarked funds for road construction, reduce vehicle-related taxes, and establish an environment tax

Taking into account that vehicle-related taxes are high because of the priority given to road construction, we will divert funds earmarked for road construction to general use, and reduce taxes substantially. We will submit to the Diet and seek the enactment of a bill to abolish earmarked funds for road construction, and a tax-reform bill to halve the motor vehicle tonnage tax and abolish the automobile-acquisition tax. In parallel with these moves we will take steps to bequeath a pleasant global environment to future generations and to carry out Japan's international responsibilities as the chair country of the Kyoto Protocol. Accordingly, in addition to formulating measures that take Japan's international industrial competitiveness into consideration, we will establish an "environment tax" on sources of carbon dioxide as an effective measure for dealing with global warming. It will correspond with the extent of the burden imposed on the environment by imposing a tax of some ¥3,000 per ton of carbon content.

4 A “Decentralization Revolution”: Build a Society in Which Regions Can Decide Local Issues for Themselves

Decentralization is genuine structural reform that will change Japanese society from the roots up, reinvigorate the regions in diverse ways, and enable fiscal reconstruction to take place under the exacting eye of local residents. We will build a society where local residents can think and act for themselves based on the concepts of autonomy, independence, and cooperative effort, and create an environment where regions have plenty of chances to flex their muscles. In today's “high-cost, low-satisfaction” society power is centralised, one rule is applied nationwide, and citizens have little say. We will transform this into a diverse “low-cost, high-satisfaction” society, where local residents play central roles and power is transferred to regions.

4-1 Transfer ¥18 trillion in tax revenue to the regions and allow them to take responsibility for the use of these funds

The tentacles of central government bureaucratic sectionalism reach out even into local life. This is particularly apparent in the tied grants system. We will allow the regions to take responsibility for the use of tax revenue. We will abolish the payment of approximately ¥18 trillion of the ¥20 trillion of central government tied grants, excluding only those grants for which central government should take responsibility (social security benefits, etc.) and change them to devolved tax revenue and lump-sum grants (for which central government will decide only the general area of use and the actual use will be decided by the regions). This will

dramatically increase the revenue available for use at the discretion of local authorities, eradicate the existing bureaucratic sectionalism, and enable the use of taxes to meet local needs, for example the construction of combined facilities for the welfare of the aged and childcare. Freeing up the use of tax revenue will also spur local governments to compete in offering good services, which will inject new vigour into the regions and drive the revitalisation of Japan as a whole.

4-2 Give priority to transferring powers and financial resources to local governments and create a society in which local residents play a major role

Decentralization is a process of restoring to local residents (citizens) rights that have been concentrated in the hands of central government. To do this, we will transfer as many powers and financial resources as possible to local city, town, and village authorities, which are the administrative units closest to the actual citizens. In doing so, we will create an environment where it is easy for residents to participate in decision-making as well as to monitor and evaluate local government, to make it clear that residents play a key role in their own regions. To strengthen information disclosure and direct participation by citizens, which are the most important prerequisites for enabling local residents to participate and have their views reflected in decision-making on administrative measures, we will submit to the Diet and seek enactment of a bill for a basic law for the furtherance of self-government by residents and a law for residents' referendums. Furthermore, we will enhance regional authority to make autonomous decisions within the range allowed by law (by expanding the extent of direct delegation rules, etc.) and facilitate the creation of responsive regional government through resident participation and cooperative efforts.

4-3 Limit the powers of central government ministries and create a strong government to exercise those powers

Over-centralization of authority has created a "rigid society", where the same rule is applied nationwide, a "dissatisfied society", where residents are alienated from political activity, and a "dependent society", where regions depend on central government. During our term of office, we will enact laws on regional government that will limit the powers of central government ministries and agencies and clarify the division of authority between central and local governments. This will create a "flexible society", which is responsive to regional needs, a "satisfied society", where it is easy for residents to participate in political activity, and a "competitive society", with healthy competition among local governments. At the national level, we will build a strong government to deal flexibly and efficiently with a limited range of issues affecting the country as a whole, such as diplomacy, security, the currency, and finance.

4-4 Start on the creation of a *do-shu* system

We will begin working toward establishing a *do-shu* system (a system of states) to enlarge the basic unit and build a stronger platform for local government. At the same time, we will realise a society which encourages autonomy and coexistence by revitalising local communities, the social unit closest to the lives of citizens.

5 Nurture NPOs and Revitalise Citizens' Activities

5-1 Support specified NPOs through the tax system

To support the revitalisation of citizens' activities, we will nurture and assist specified non-profit organizations (NPOs) as providers of local services and key creators of employment. Of the more than 16,000 specified NPOs nationwide, only 23 institutions (as of April 2004) are authorised to receive preferential tax treatment. We will ease the conditions substantially to make it easier for NPOs to benefit from that treatment. Moreover, to make it easier for people to give small sums to NPOs we will also make donations of ¥10,000 or less by individuals tax-deductible.

5-2 Drastic review of the public service corporation system

We will address the structure of the civil/cooperative sector. To promote private citizens' activities, we will revise Article 34 of the Civil Code dealing with public service corporations and submit a general law on NPOs. We will: (i) for new NPOs, abolish the system of authorization by the competent ministry and create a system of NPO establishment through registration; (ii) exempt NPOs from corporate tax in principle (however, revenue-making activities will be taxable); and (iii) allow institutions that meet certain conditions (the same conditions we are proposing for benefiting from preferential tax treatment) to benefit from the deemed donation system (which enables NPOs to count part of revenue raised as a loss if it is used for non-profit activities) and tax deductions for donations.

6 Ease Financing to Revitalise SMEs

6-1 Create creditworthy banks

After forming the administration we will move rapidly to implement the DPJ Final Financial Reconstruction Plan, with the objective of restoring credit creation and financial intermediation functions within two years.

- (1) When dealing with SME finance (financing based on personal credit, including for the self-employed), we will make a clear distinction from lending to large companies. Separately from those for large companies we will produce inspection manuals for SME financing in which emphasis is placed on cash flow rather than placing reliance on security, and reluctance to lend and forcible withdrawal of funds will be eliminated. In addition, the system whereby individuals act as guarantors for loans by governmental financial institutions will be abolished within five years.
- (2) We will submit to the Diet a bill for the facilitation of regional finance, which will require the disclosure of information on matters such as the extent to which financial institutions contribute in the regions, and their terms for SME financing.
- (3) With respect to lending to large companies, we will ensure the clarification of the state of nonperforming loans by means of rigorous financial inspections. At the same time as exposing the responsibility of large companies, bank executives, and the authorities for the bubble economy, we will if necessary take bold steps to inject public funds to enable banks to recover their lending capacity.
- (4) From the perspective of easing financing for SMEs, we will submit to the Diet a bill requiring banks to explain lending conditions, exchange documents, and formulate lending policies.

6-2 Take measures to promote the recovery of SMEs, including increasing the budget for SMEs sevenfold and abolishing the system whereby individuals act as guarantors for government loans

To restore soundness to local industries and commercial districts, we will formulate annual plans for a sevenfold increase in the budget for assisting SMEs and reinvigorating commercial districts; a twofold increase will be made in first year's budget. By such means as improving preferential tax treatment for business angels we will create mechanisms to facilitate fund-raising for business start-ups, and thereby foster the creation of new enterprises. In addition to the Final Financial Reconstruction Plan, we will change the senseless insistence that individuals act as guarantors for SME financing. Over a five-year period we will remove in principle the providing of these guarantees for loans from governmental financial institutions (People's Finance Corporation, Small Business Finance Corporation, and Shoko Chukin Bank).

6-3 Implement post office reform to enhance services to the public and boost funding for regional economies and SMEs.

Japan Post was established in April 2003, but that has not eliminated abuses such as the effective monopoly of the postal services and the waste caused by special corporations administering areas such as postal savings. Instead of this kind of sham reform that only pays lip-service to genuine privatisation, we will carry out the reform of the postal services in a way that really helps to enhance people's daily lives and invigorate regional economies.

The DPJ has a plan to have private-sector companies participate in postal services, whose requirements currently are too demanding, for example the maintaining of 100,000 postboxes. Participation will be premised on the elimination of excessive government involvement in management, and terms that include providing a universal service (deliveries anywhere nationwide at uniform rates) within two years.

What is more, members of the public will be able to use the network of post offices to obtain an array of administrative services under one roof, for example being issued with passports at their local post office. Before considering the final form that management should take, a decision must be taken on how to put bloated postal savings and postal insurance funds to use for the good of the Japanese economy and citizens' lives. We will begin with the phased lowering of the deposit ceilings for postal savings and of the limits for participation in postal insurance schemes while keeping a close watch on financial conditions. In addition, we will study ways of creating a system whereby postal savings and postal insurance funds can be put to work to assist regional economies and SMEs by taking advantage of the market mechanism.

7 Revitalising Agriculture, Forestry, and Fisheries

Sweeping reform of agricultural policy

Concerns are growing over problems such as the decline of farming, forestry, and fishing villages, the falling rate of food self-sufficiency, and food safety. To resolve these issues, we will drastically transform agricultural policy.

7-1 Institute a sweeping change from subsidies to direct payments as the cornerstone of agricultural policy

Current agricultural policy consists of measures to prop up prices for agricultural products and subsidies focused on assisting agricultural structure improvement projects. We will introduce direct payments as the cornerstone of agricultural policy in order to drastically transform this

situation and revitalise farms and farming villages. Specifically, we will make direct payments for land-intensive produce (rice, barley, soybeans, minor grains, rapeseed, and produce for feedstuffs) that contributes to the enhancement of food self-sufficiency. In conjunction with these payments, we will abolish production adjustments for rice to raise usage rates for arable land, thereby promoting the two-crop system for rice production. These direct payments will be set at a level that allows producers to secure an income equivalent to that from rice production. We will also implement direct payments for mountainous areas and environmentally friendly agriculture (such as organic farming). Direct payments will total approximately ¥1 trillion. By making use of the funds freed up through measures such as the abolition of production adjustments for rice, we will endeavour to make the payments from within the Ministry of Agriculture, Forestry and Fisheries appropriation. Through these measures we aim to lift the food self-sufficiency ratio from the current 40% to 50% within 10 years of taking office, and to more than 60% over the longer term. To prepare for any food crisis, we will also stockpile 3 million tons of rice.

7-2 Resolve consumers' food concerns: Ensure food safety and promote environmentally friendly agriculture

Amidst a series of problems that have called food safety into question such as agrochemical residues in imported vegetables, BSE, and avian influenza, consumers' concerns and doubts about food are rising. To address this situation, we will promote local consumption of locally produced goods and consumption of products in season as well as raise food self-sufficiency rates within regions. At the same time, we will work to ensure food safety and reassure consumers through measures such as introducing ingredient and source labelling for processed foods, implementing much stricter import quarantine systems, and appointing "international food inspectors" to conduct checks in major food exporting countries from the standpoint of a food importing nation. As for domestic agriculture, forestry, and fisheries, we will promote reduced use of agrichemicals, organic farming, and environmentally friendly agriculture, along with the use of biomass energy.

7-3 Breathe new life into farming, forestry, and fishing villages: Improve agricultural land use and support women in rural communities

We will reform the system of agricultural land use to maximise opportunities for those wishing to enter the agricultural sector by easing entry regulations while strictly applying exit regulations such as rules for clarifying landowners' use of land and conversion of farm land to other uses. Specifically, where joint-stock companies, NPOs, and other groups wish to engage in farming, we will recognise their right to use agricultural land provided they continue its cultivation. Where salaried employees or retirees wish to engage in farming, we will ease the

minimum land area conditions related to acquisition of farmland provided they continue to use the land for agriculture, adhere to local authority land use plans, and do not convert the land to any other use.

With a view to using agricultural land effectively to ensure food security, the total amount of agricultural land will be maintained at the current 4.77 million hectares.

Women constitute approximately 60% of the farming population. Considering the important role they play, we will back them by submitting a bill for the support of women in rural communities to start up their own businesses and setting up a system of childcare helpers for women in farming, forestry, and fishing villages. To give women more say in rural regions we will set numerical targets for the numbers of women on bodies such as agricultural cooperative boards and agricultural committees, in accordance with the circumstances in each region, and work toward the achievement of the targets.

Although population drift toward cities continues, Japan's development cannot be considered without addressing the revitalisation of rural communities, which account for the majority of the nation's land area. Therefore, we will promote interaction between urban and rural communities through hands-on learning experiences in farming, forestry, and fishing villages as well as green tourism and blue tourism.

7-4 Direct payments for projects to reclaim aquatic resources

Japan used to be one of the world's biggest exporters of aquatic products. Now it has become an importer, and the self-sufficiency rate for such products has dropped to just 53%. We will undertake projects to reclaim resources and engage in public works to create "underwater forests" of seaweed that will act as spawning grounds. This will help to manage our resources effectively, truly revive the aquatic products industry in Japan, show our strengths in this sector to the world, and breathe new life into fishing communities. Resource reclamation projects undertaken by fishing communities will be eligible for direct payments.

7-5 Replant 10 million hectares of forest over the next decade: Cultivate "green dams"

Forests contribute to the public good in many ways, but trends such as the expansion of cheap lumber imports and lower prices for domestic timber have stunted forestry production and our forests are becoming run down. Flood-control benefits can be gained by restoring natural water-retention capabilities to forest land, and forests also help prevent global warming by controlling carbon dioxide levels. Focusing on flood control through afforestation, we will switch from public works that damage the environment to sustainable public works—green

dam works—that protect the environment and our forest lands, creating 120,000 new jobs. By making the development of forests—through periodic thinning and other means—into public works projects, we aim to replant 10 million hectares of forest over the next decade. We will do so by drawing up an annual plan immediately after forming an administration, and by then formulating budgets totalling approximately ¥100 billion in the first year and ¥250 billion after four years through the transfer of public works under the government's direct control. We will promote the use of domestic timber by requiring the usage of a certain amount of Japanese wood in public construction projects. We will also introduce direct payments, according to factors such as the area of forest and the types of trees cultivated.

Ancillary to this plan we will actively promote projects to return rivers to their natural state, restoring their beauty and making them places of recreation and relaxation for people, and habitats for large numbers of living creatures.

8 Energy and the Environment: Toward a Sustainable Society

8-1 Introduce an environment tax

To solve global environmental problems, we must realise that the environment is not a free and unlimited resource to be used at will. There is a need to internalise the effects (external costs) that economic activity has on the environment and build them into the price-setting system that is part of any fair market economy. Japan played a key role in coordinating the Kyoto Protocol, a first step in combating global warming, but achieving the Kyoto goals now appears extremely difficult. With the scheduled review of the government's Guideline for Measures to Prevent Global Warming approaching, there is a pressing need to introduce economic measures. Soon after taking office we will curb the use of fossil fuels and encourage their more efficient use as well as introduce an environment tax to help fund energy conservation and technology development for new energy forms and promote environment-related investment. We will impose a tax of ¥3,000 per ton on carbon dioxide emissions.

In the electricity sector, the existing tax for the promotion of power resources development will be partially amended to create a carbon and energy tax. However, that tax will not apply to use of raw materials that cannot be replaced such as charcoal and naphtha, and tax reduction or refund systems will be established for industries taking effective measures to restrict greenhouse gas emissions, so as to maintain and reinforce the competitiveness of Japanese industry. Taxation measures will also be taken for imported coal. In distributing tax revenue, priority will be given to technology development, capital expenditure, and promotion

initiatives for energy conservation and new energy forms. Through such measures Japan, as a leader in environmental technology, will build a sustainable society that preserves both the environment and employment opportunities. We will also consider the nature and operation of the petroleum taxation system.

8-2 Double the budget for new energy, and promote more widespread use of low-pollution cars

We will systematically increase the budget for new energy, in order to foster the development of renewable energy in such forms as wind power, solar power, biomass, and wave and tidal power, and of promising future forms of energy such as fuel cells. We will double the budget from its present level of ¥150 billion annually, to ¥300 billion. We will also reinforce the assistance given for environmentally friendly means of transportation such as electric cars and fuel-cell cars. We will promote more widespread use of low-pollution cars by focusing assistance on electric cars, the use of which is already spreading, and fuel-cell cars, which are due to be brought into full-scale practical use in the near future. The necessary budget appropriations for this will be made by such means as transfers from energy-related budgets, and from budgets for environmental countermeasures.

8-3 Give first priority to safety, and strengthen supervision of nuclear power administration

We will make a clear separation between the operation and regulation of administrative organs for nuclear power, giving first priority to safety. We will split off the body controlling nuclear power safety from the Ministry of Economy, Trade and Industry, and establish a new independent administrative body within the Cabinet Office, building a structure for rigorous and centralised checking.

8-4 Enact a basic law on global environmental preservation, and engage in environment-related diplomacy

Based on the philosophy of the coexistence of humankind and nature, one strategic diplomatic issue through which Japan can contribute to the world is that of fostering activities aimed at preserving the global environment. We will spell out clearly our philosophy of preserving the environment of the entire earth, and submit to the Diet and pursue the enactment of a draft basic law for global environmental conservation.

9 A Society Where People Can Work without Worry

9-1 Establish rules to ensure that everyone has work and due value is set on the work

As well as expanding job opportunities, we will foster work-sharing and joint participation in the workforce by both men and women. We will take steps to eliminate unpaid overtime, so as to stop any new unemployment from arising and to increase the number of people in employment. Other steps will include fostering the protection of workers' rights in line with changes in the economy, the correction of the disparities that exist between various aspects of employment in the public and private sectors, and the establishment of international rules.

9-2 Advance equality of treatment for part-timers and the enhancement of childcare/nursing care leave systems

We have submitted to the Diet a bill to amend the Part-Time Workers Employment Law, so as to correct irrational disparities between full-time company workers and part-timers and others, and give the latter equality of treatment. This will ban discrimination as regards wages and other working conditions that rests on the pretext that the hours of part-time workers are shorter than those of regular employees. In addition, we will enable childcare and nursing care leave to be taken by all workers hired on at least the equivalent of a one year contract. We will also make improvements to the system as a whole, by for example enabling people to take their leave in instalments, up to a limit of twice monthly, until their children are of elementary school age.

9-3 Assist people who are unemployed or whose businesses have failed to make a fresh start and to support themselves, by means of retraining and a ¥100,000 monthly allowance

We will submit a bill to the Diet to stabilise employment insurance accounting and to assist unemployed people unable to find jobs during their period of unemployment benefit, self-employed people suffering business failures, and others, by expanding training schemes for them to develop their skills, and giving them an allowance of ¥100,000 per month for a maximum of two years. We will prepare a budget to enable this assistance to be provided (averaging approximately ¥250 billion annually). Also, to ensure that people laid off because of bankruptcies or restructuring are able to receive medical care, health-insurance premiums will be lowered for one year. National expenditure on this measure is estimated to be ¥2.5 billion annually.

9-4 Personalised employment support to help young people get on their feet

We will set up support centres, tentatively called “Young Work Service Centres”, to offer personalised advice to young people who have lost their jobs or who are currently without work. The centres will offer vocational training in private companies and other organizations and, where necessary, an employment support allowance will be payable. The centres will provide a forum where young people not in education, employment, or training (NEET) can gather and seek advice and support. We will also introduce five or more days of work experience for all second-year junior high school students nationwide.

10 Raising Healthy Children

10-1 Realise an educational system that tends to the needs of each child and eliminate parental misgivings

To ensure that the educational system tends to the needs of each child, during the four years of the DPJ administration the size of classes will all be reduced to a maximum of 30, at least up to the third year of elementary school. We will increase the budget by approximately ¥80 billion each year, and at the same time will take steps to assure staff numbers by such means as close monitoring of the state of teacher postings. We will promote measures to protect children from crime and natural disasters within schools and local communities, and create a “fruitful Saturdays” scheme, whereby local communities, parents, and youth can cooperate in sporting activities, community exchanges, volunteer work, and hands-on learning experiences for children. We will formulate a basic plan for education reform aimed at removing parental misgivings on such issues as the decline in scholastic attainment; expanding local governments' powers over education, including the content of courses of study; promoting participation by parents and local residents in the management of schools; and expediting the introduction of a system of evaluating schools. This "Heisei Education Reform" will be implemented in phases.

10-2 Enhance the system of children's education by unifying kindergartens and nursery schools and by assisting NPOs, and increase the number of establishments providing after-school care to 20,000

To eliminate the waiting-list of children wishing to enter nursery schools, estimated at some 30,000, we will correct the present split between nursery schools, which are under the auspices of the Ministry of Health, Labour and Welfare, and kindergartens, which are under the Ministry of Education, Culture, Sports, Science and Technology, and unify these two types of

pre-school. From the 2004 fiscal year we will implement concrete measures to eliminate the waiting lists, including by making active use of diverse local resources, for example the childcare establishments run by NPOs near railway stations, and women providing private day-care services. We will increase the number of establishments providing after-school care to 20,000 over four years, from approximately 13,000 at present, and also boost the number of supervisors from 40,000 to 60,000. We will provide for a budget of at least ¥30 billion in the first year for the purpose of clearing the waiting lists, by for example extending childcare hours in line with the changing employment patterns of parents.

10-3 Expand the child allowance to support the next generation

As part of efforts to support the raising of the next generation, we will eliminate the spouse tax deduction and spouse special tax deduction and use the increased tax revenue to expand the child allowance. The allowance will be payable until the end of compulsory education and will be set at a level to cover food and clothing expenses.

10-4 Increase amount of individual interest-free scholarship funds by 50%

The economic circumstances of parents have deteriorated as a result of the prolonged recession, and an increasing number of students are being compelled to drop out of high schools, vocational colleges, and universities. As an emergency measure to counter this, for three years we will increase interest-free scholarship loans by 50% to those that need them. For example, a loan to a student at a private university living away from home will be raised from ¥63,000 to ¥94,500 monthly. We will also increase financial support to high schools that reduce or waive the tuition fees of pupils who are finding it difficult to remain at school. The budget required to implement this policy will be approximately ¥60 billion, which will be funded from close examination of the education and science budget, and from cutting wasteful expenses from the government's overall budget.

10-5 Double the number of child welfare commissioners to prevent child abuse

To prevent child abuse we will double the number of child welfare commissioners within four years of taking office and improve a system of child advice centres.

10-6 Protect children from harmful information

To protect children from harmful images such as brutal violence and sexual abuse, we will endorse systems for separate display of adult-content publications and attention to broadcast times so that children are not exposed to harmful information in the course of their daily lives.

To that end we will work toward submission of a bill for a law to protect children from harmful information. Given that today's children live in an information society, we will also promote education that develops children's ability to accurately understand the significance of information and use it appropriately (media literacy).

10-7 Work toward the establishment of a child and family ministry

Many government agencies are involved in issues related to children and families: the Ministry of Education, Culture, Sports, Science and Technology, the Ministry of Health, Labour and Welfare, the Ministry of Justice, and the National Police Agency. The negative effects of bureaucratic sectionalism are plain to see. After taking office we will promptly begin work on establishing a unified ministry to make and implement policy on issues relating to children and families, tentatively named the Child and Family Ministry.

11 Protecting Basic Living Standards in an Aging Society

11-1 Increase by 10,000 the number of group homes to serve as local centres for nursing care

To eliminate the problem of waiting lists for nursing care, we will secure a budget of some ¥85 billion annually to increase the number of group homes serving as local centres for nursing care by 10,000 over a four-year period. These will be able to accommodate approximately 100,000 more people than at present. Helpers and other necessary personnel will also be trained. Other steps will be taken to improve healthcare for the elderly in conjunction with this. For example, depending on circumstances in individual localities and the ingenuity of local authorities, city-centre residences with attached nursing facilities will be developed, and barrier-free urban development carried out.

11-2 Drastically reform pensions to create a fair, transparent, and sustainable system

The pensions law enacted by the ruling party during the last regular Diet session is nothing more than a short-term attempt to cook the pension finance books and can hardly be called a sweeping reform. This government is doing nothing to counter the hollowing out of the pension system we currently face. Concentrating the burden on the current working generation is destabilizing employment and ultimately calling into question the viability of the pension system itself. During debate in the Diet, it became clear that the government's much-vaunted fixed upper limit on pension contributions and promise to keep pension benefits at 50% of average income are figures cooked up to deceive the people of Japan. We cannot permit shady accounting and false claims of this kind. As soon as it assumes power, the DPJ will repeal the

law enacted by the current government and implement genuine sweeping reform to create a fair, transparent, and sustainable pension system.

(1) Create a unified pension system—and abolish Diet members' pensions

The multiplicity of different pension schemes—the national pension, employee pensions, mutual aid pensions, and occupational and other work-related pensions—is one of the reasons behind unpaid contributions and failure to join a scheme and this situation creates a sense of unfairness and mistrust. By unifying all these pensions into a single scheme, we will create a fair and transparent system available to everybody, where contributions will be the same for people with the same income, and benefits will be the same for people who make the same contributions, so that the system can be understood at a glance by anyone. In doing so, contribution rates will be kept to the same level as rates for existing employee pension schemes so that the burden of pension contributions does not become a threat to employment. Creating a unified pension where benefits are proportionate to income will eradicate the need for pension paperwork when switching jobs. As well as eliminating the major reason for people not joining pension schemes, the unified system will make it easy to know the amount of the pension that will be received in the future.

The special pension scheme for Diet members will be abolished and Diet members will join everyone else in the unified scheme.

(2) Ensure a minimum old-age pension funded partly from earmarked consumption tax

In addition to the income-related pension described above, a “minimum guarantee pension” will be established using tax revenue to ensure everyone can meet basic needs in old age. The minimum guarantee pension will pay greater benefits to those who have low benefits under the income-related pension scheme. Compared to the existing system where everyone gets the same level of benefits from the national pension and the basic pension, this will ensure a minimum pension for all with a relatively small amount of funding. Since it will be funded from tax revenue, the current problems of persons without pensions and hollowing out of the system will not occur. Following the launch of the new scheme, the minimum guarantee pension will be partially funded using one half of the portion of the national pension paid from state coffers, by slashing wasteful expenditure. In addition, provided deflation has been conquered and the country has returned to stable economic growth, pension exemptions will be reviewed and a pension-earmarked consumption tax will be introduced. An ample period will be allowed for changeover to the new system, benefits for existing pensioners will be maintained at current levels, and benefits corresponding to contributions already paid will also be maintained at existing levels.

(3) A pension system that caters to both working women and full-time housewives

In addition to their status as individuals, housewives also support family budgets through unpaid household work. In recognition of both these aspects of their lives, we will adopt a split pension system that calculates the total income of a couple and considers half of the total as belonging to each partner. Benefits for each partner will be based on the pension contributions over the course of the marriage calculated by this method. This will eliminate the sense of unfairness working women have regarding the present system and ensure the individual pension rights of full-time housewives.

(4) Abolish the wasteful Social Insurance Agency

In order to introduce an income-related pension, it is essential to accurately ascertain each citizen's income. This is also necessary in order to accurately calculate future pension funding. A DPJ government will reform the tax system to enable income to be accurately ascertained and implement reform of the pension system while disclosing the figures on which the reforms will be based. Considering the need for administrative reform, we will abolish the Social Insurance Agency and amalgamate it with the National Tax Agency to create a new "Revenue Agency" that will handle pension contributions and tax collection in an integrated manner.

(5) Slash wasteful spending to raise the state-funded portion of the basic pension

Since the ruling party has planned to raise the portion of the basic pension paid from state coffers (i.e. tax revenue) from one third to one half, we can expect income and consumption taxes to rise in the future. However, we cannot permit a greater burden to be placed on taxpayers without conducting sweeping reform of the pension system and without doing anything about the misappropriation of pension contributions. A DPJ government will slash wasteful expenditure and, in stages, use the savings to fund the basic pension. This will enable us to raise the proportion of the basic pension paid from state coffers to one half over a five-year period.

(6) Help for the challenged without pensions

We will take urgent steps to put in place legislation to ensure that all the challenged without pensions—for example, those not covered by the national pension scheme and those ineligible for benefits because they did not join the scheme when it was voluntary (former students, homemakers, foreign residents, Japanese overseas)—can receive pension benefits in line with the current basic disability pension.

12 Worry-free Medical Treatment

12-1 Assure reliable medical care with early detection and treatment. Ensure the transparency of the consultation fee revision process

We will seek to eliminate restrictions on having medical examinations and to ensure early detection and early treatment of illness. To that end, at the time of the revision of consultation fees in 2006, we will restore to 20% the proportion of medical expenses borne by people covered by national health insurance, and carry out a reform of the system of medical care and of the system of medical care for the elderly. In addition, at the time of the revision of consultation fees we will make public the data on such aspects as medicines and materials used for medical care, medical point scores, dentistry point scores, and home visits for nursing care, as well as price data, and also ask for public comments on these data. In addition, we will ensure that the composition of the membership of the Central Social Insurance Medical Council, which carries out the revision, includes equal numbers of people representing the parties providing the services, those paying for the services, and those representing the public interest (including patients); we will make the minutes public. These reforms will be carried out in stages from the 2005 fiscal year.

12-2 Establish 350 emergency medical centres for infants, and cut to 10% the proportion of medical expenses borne by parents of elementary school children.

We will develop a system of emergency paediatric care. Within three years of coming into power we will establish a structure to accept them in times of emergency by designating at least 350 hospitals nationwide to serve as emergency medical centres for infants. In addition, we will rationalise consultation fees for paediatric care, and by the 2005 fiscal year will submit amending legislation to the Diet for the purpose of reducing the proportion of medical expenses borne by paediatric patients under national health insurance. For patients up to three years of age this will be cut from 20% to 10%, and for those aged three and above it will be cut from 30% to 10% until the year they leave elementary school. The budget required to fund this is estimated to be some ¥45 billion.

The government's costs will be met by diverting wasteful expenses, and with respect to the health insurance system the fiscal situation will be taken into consideration.

12-3 Make it obligatory to disclose patients' medical records and issue itemised statements of medical fees, while taking steps to prevent malpractice

To foster better relationships of cooperation and trust between patients and doctors, we will table a bill in the Diet to make it obligatory for doctors to disclose patients' medical records

and to issue itemised statements of medical fees. We will also introduce stricter measures to prevent the incidents of malpractice that have frequently occurred, by steps including obligatory reporting of medical mishaps to an independent body.

12-4 Formulate a five-year plan to combat hepatitis

With an estimated 2 million potential cases including those caused by adverse drug reactions, hepatitis has become a national health issue. We will formulate a five-year plan to combat hepatitis that will include comprehensive measures for early detection and treatment, prevention programmes, and steps to enable hepatitis sufferers to lead stable lives.

12-5 A comprehensive suicide prevention initiative

Suicide is not just a tragedy for the victim and his or her family; it represents an enormous loss to society. We will put together a comprehensive package of suicide prevention measures that goes beyond treatment of depression to encompass prevention, intervention, and aftercare.

13 A Society That Respects Human Rights

13-1 Enact legislation to eradicate discrimination

In order to eradicate the various types of discrimination that persist, we aim to enact legislation of various kinds. This will include a law for the remedy of human rights violations, which will involve the establishment of a human rights committee independent of the Ministry of Justice; a law to prohibit discrimination against the challenged, which will prohibit specific types of discrimination, guaranteeing complete participation and equality to all disabled people; and a law to prohibit age-discrimination, which will prohibit job discrimination on the grounds of age.

13-2 Actively promote the use of the adult guardianship system

Our society includes elderly people suffering from dementia who lack judgment, persons with intellectual disabilities, and those with mental illnesses. We will promote the use and correct operation of the adult guardianship system to ensure that choices affecting their lives can be made in ways that accord with their wishes.

13-3 Revise the Wire-Tapping Law, the Basic Residential Register Network System Law, and the Law concerning the Protection of Personal Information

Immediately after taking power we will freeze the Wire-Tapping Law, and submit a bill to the Diet for the radical revision of the law within two years. We will also immediately embark upon revising the provisions on the Basic Residential Register Network System in the Basic Resident Register Law and the Law concerning the Protection of Personal Information and submit bills to the Diet to radically revise these laws.

13-4 Foster greater use of subtitles on television broadcasts

To enable people with impaired hearing to enjoy television broadcasts and derive information from them, we will ensure that by 2007 subtitles are used in all television programmes for which that is technically possible. We will implement support measures to provide some ¥10 billion of assistance to the broadcasting companies and manufacturers that carry out the subtitling.

13-5 Back an individual reporting system to international bodies with a view to remedying human rights violations

To broaden opportunities for remedying human rights violations, a system is required whereby individuals can make direct requests to international bodies for human rights violations to be remedied (individual reporting system). After taking office we will move rapidly to ratify the International Covenant on the Elimination of All Forms of Discrimination against Women and the International Covenant on Civil and Political Rights, which recognise the need for an individual reporting system.

13-6 Enact laws for prevention of the abuse of elderly and disabled persons

To eradicate the tragic incidents that have occurred in both households and nursing homes and create an environment where everyone can live without fear of abuse, we will enact a law for the prevention of abuse of the elderly and a law for the prevention of abuse of disabled persons. The laws will include comprehensive measures to allow entry onto premises where abuse is suspected, ensure the availability of short-stay facilities for those requiring urgent protection, and offer support to those who have been driven to abuse.

13-7 Enact laws and promote measures to safeguard consumers' rights

As a representative of citizens, taxpayers, and consumers, the DPJ will implement policies formulated from citizens' and consumers' points of view. After assuming power we will promptly review any legal systems that infringe on the rights and interests of consumers. In particular, we will check to ensure that parallel importing of overseas records and CDs is not obstructed and pass laws necessary to safeguard consumers' interests.

14 A Secure Society

14-1 Bring back a police administration we can trust

Trust in the police has been undermined by scandals such as suspected false accounting practices, where funds meant for investigations were habitually diverted for personal use by senior officers over long periods. We will establish a committee to supervise correct police accounting practices made up of independent lawyers, accountants, and citizen representatives, which will identify the problems in police accounting and, based on its findings, reset or restrict compensatory and investigative expenses. At the same time, police accounting systems will be reformed to make them more user-friendly for police officers on the beat. We will also submit revisions to the Police Law, set up an independent secretariat for national and local public safety commissions, and introduce a much broader complaints system to create a police administration that reflects citizens' views.

14-2 Push up the declining arrest ratio by increasing the number of police officers by 30,000

Our goal is to restore the arrest ratio for serious crimes, which over the past five years has fallen to 52%, to the level of 84% it was at five years ago. To achieve that we will increase the number of police officers in the regions by at least 30,000 over four years; expand police capabilities for community policing, criminal investigation, and community safety; strengthen the structure for crime-prevention patrols; and put officers back into empty police boxes. Over a four-year period we will increase the number of officers by 7,000 annually, and secure a budget of around ¥40 billion per year, therefore requiring a budget of ¥160 billion after four years.

To make use of the crime prevention potential in local communities, we will offer financial support for the setting up of independent crime prevention patrols initiated by residents' and neighbourhood associations.

14-3 Institute life sentences without parole, and stiffen other penalties for serious crimes

We will take steps to stiffen penalties for serious crimes, which are currently criticised for being too lenient, and institute indeterminate sentences without parole. Our aim is to revise the Penal Code within three years of taking power, with a view to revising all punishments.

14-4 Create a fairer and more accessible judicial system

Looking ahead to the introduction of the lay judge system in five years' time, we will publicise the system to raise people's awareness and work to create an environment where it is easy for everyone to participate in the system, including considering the needs of those who care for children or elderly relatives. We will submit a bill for the revision of the Code of Criminal Procedure and work toward its enactment. The revisions will include clarification of the procedures in investigations by means of video and other electronic images, assuring the right to have a lawyer present during questioning, and guaranteeing disclosure of evidence. We will enact the basic law to protect the rights of crime victims that has already been submitted to the Diet, which also obliges the national and local governments to offer financial, medical, and psychological assistance to victims.

14-5 Strengthen the Domestic Violence Prevention Law

During the 2004 regular Diet session the Law for the Prevention of Spousal Violence and the Protection of Victims (the so-called DV Prevention Law) was amended. When the law comes up for revision in three years we will submit a bill for further amendments to address outstanding issues, introduce an offender rehabilitation programme, expand the range of relatives covered by protection orders, and prohibit threatening behaviour by means of fax and telephone. We will strengthen the self-help structure and increase financial support for private shelters, for which we will set aside annual budgets of approximately ¥2.5 billion.

14-6 Protect citizens' lives and property by means of revisions to the law protecting public interest whistle-blowers and through new laws on public interest disclosure and release of risk information

We will revise the law protecting public interest whistle-blowers and ensure that subcontractors, etc. who report information that is in the public interest do not suffer from any disadvantageous treatment. At the same time, we will enact a public interest disclosure law aimed at civil servants and a risk information release law requiring the provision of risk information to business operators and reporting to government agencies. Together, these three pieces of legislation will protect the lives and property of consumers and citizens.

14-7 Assure the housing reconstruction assistance system for victims of natural disasters

For those unfortunate enough to lose their homes in natural disasters, housing reconstruction is essential to getting back on their feet. We will revise the existing law governing reconstruction assistance for victims of natural disasters and ensure that reconstruction assistance is available for residential housing.

15 Wide-ranging Political and Bureaucratic Reforms

15-1 Prohibit golden parachutes for bureaucrats, and reduce civil service personnel costs by at least 10%

We will prohibit the giving of golden parachutes to retiring senior bureaucrats and extend the scope of the regulations, which cover only private-sector companies, to encompass governmental institutions such as special corporations and independent administrative agencies (excluding university teaching staff, etc.). In addition, during our administration we will take steps to create a transparent civil-service system based on International Labour Organization recommendations. This will include guaranteeing the fundamental labour rights of ordinary civil servants, but at the same time revising the functions of the National Personnel Authority and establishing a fair personnel-evaluation system. By pursuing decentralisation and revising the functions of central-government ministries and agencies, we will follow a phased programme to include moving national civil servants between different ministries and agencies and reducing their number, and revising the remuneration and other conditions of high-ranking bureaucrats. Within four years our reforms will create efficient government enabling total personnel expenses for national civil servants to be cut by at least

10%, and more efficiency and downsizing will be pursued by such means as greater decentralisation.

15-2 Through a top-down approach, aim for bolder and faster decision-making

We will reform the opaque dual structure linking the government with the ruling party and abolish the mechanism, symbolised by meetings of administrative vice-ministers, of advance manipulation of the cabinet's agenda. The prime minister and key cabinet ministers will be based permanently at the prime minister's office (the Kantei), where ministers and their policy staff will take the leading role in formulating basic policy. Given the large role that tax revenue and budget allocations play in politics, a cabinet finance bureau will be set up with Kantei staff to draw up budget allocations and reform tax systems. This body will go beyond the sectional interests of individual government agencies to promote bold changes to budget allocations and drastic reforms to tax systems.

15-3 Work with policy-makers of all kinds who support this Manifesto

To demonstrate political leadership and clear responsibility for policy-making, we will change the conventional seniority-based personnel practices at the heart of the bureaucracy and actively recruit non-civil-servants, academics, young bureaucrats, and others who are competent and brimming with enthusiasm for reform. At least 30% of positions on the Kantei policy-making staff and Director-General-level posts in ministries will be filled with such people. To achieve this, we will expand the scope of special service category under the National Public Service Law and ease the restrictions in the Diet Law on Diet members holding concurrent positions.

15-4 Establish an administrative oversight office (the Japanese equivalent of the General Accounting Office in the US) for thorough examination of policy and government business

Since the extent to which the administration can examine its own wasteful expenditure and deregulate is limited, there is a need for a body that can examine administrative practice from the citizens' viewpoint. To that end, we will establish in the Diet a specialist administrative oversight office (similar to the General Accounting Office in the US) to assess and examine policy and government business.

15-5 Eradicate dishonesty by politicians and cut the number of Diet members

Reform begins with reform of the political system itself. We will earnestly promote such change, adopting exacting standards for ourselves and making information openly available to the public to create a brand of politics that is fair, transparent, and trusted.

(1) Full disclosure of donations by companies and organizations.

To get rid of influence-peddling and the role of special interests, we will table and seek enactment of a bill on the prevention of political corruption.

- (a) We will expand the scope of penalties under the current influence-peddling law to cover family relatives of Diet members and the secretaries of municipal mayors.
- (b) We will ban totally all political donations by companies receiving orders for public works.
- (c) We will broaden the disclosure criteria for donations by companies and organizations to ensure full disclosure of all amounts, not only amounts above a total of ¥50,000 in a one-year period. We will also make it obligatory for all political parties and political fund-raising groups to adopt the system already implemented by the DPJ of disclosing documents such as income and expenditure reports on the Internet and introducing external auditing.

(2) Correct disparities in the value of a vote, and reduce the number of House of Representatives and House of Councillors seats by at least 10%

We will pursue the enactment of a bill to revise the Diet Law so as to freeze the salaries and other payments to Diet members in police custody, and to terminate them if they are judged by the courts to have committed criminal acts. Within three years we will reconsider the nature of the House of Representatives and the House of Councillors and push ahead with electoral system reform appropriate to their respective roles. As a matter of urgency, we will submit a bill aimed at correcting the disparity in the value of votes and at reducing by at least 10% the number of seats in the House of Representatives and the House of Councillors. As the ruling party we will summon representatives of all other parties and groups to debate and implement the measures under the observation of the people or Japan.

15-6 Lower both the age of majority and voting age to 18

We will lower the legal age of majority and the voting age to 18, in order to develop the sense of responsibility of members of the younger generation as members of society, and to ensure their active participation in society. We will submit to the Diet and pursue the enactment of a bill to enable these voting rights to be granted from the next general election.

15-7 Make manifestos readily available to everyone, everywhere

To achieve election campaigns contested on the basis of policies and choice between parties, we will do everything we can to eliminate restrictions on distribution of manifestos. We will promote deregulation of electoral campaigning to remove the prohibitions on Internet campaigning using websites and e-mail and on door-to-door campaigning that enables direct discussion with voters. Furthermore, we will create an environment where people with disabilities can easily participate in elections through measures such as Braille and sign-language versions of policy information as well as promote the introduction of electronic voting for national elections.