

**Statement by Yasuchika Hasegawa, Chairman of Keizai Doyukai
On the Growth Strategy of the Abe administration**

1. At today's meeting of the Industrial Competitiveness Council, the final draft of the Abe administration's Growth Strategy was presented. I consider the strength of this plan to be based on three aspects of how it will proceed under the leadership of Prime Minister Abe and his Ministers. First of all, the plan clearly demonstrates the resolution of the government to draw out the full capabilities of the private sector. Secondly, this plan includes frameworks such as the "National Strategic Special Zones" and a "Japanese version of the National Institute of Health (NIH)" that can provide breakthroughs in regulatory and institutional reform. Third, in his three speeches leading up to this, the Prime Minister used key phrases such as "active participation by women," "winning in the global market," and "an explosion of private sector vitality" to commit himself to the plan and make sure that it is easily understood by the people.
2. Up to now there have been several attempts to formulate growth strategies that repeatedly failed after not being put into action. What is important now is a paradigm shift in how we implement our plans and connect them to concrete goals and KPI's. To accomplish this, the government should clearly articulate a system that is responsible for preventing issues of postponement and watering-down when designing new institutions or drafting laws. This system should use Deming's Plan-Do-Check-Action (PDCA) cycle to assess the effects of policies after implementation and, under the Prime Minister's direction, allow for adjustment to keep policy implementation on the right track when a problem arises.
3. To achieve real growth, it is also necessary to engage the remaining issues. By this I refer to "employment reform," "agriculture reform," "energy supply and demand," and "social security reform," among others. I expect that these issues will receive real discussion and progress forward towards reform.