

November 18, 2014

**Statement by Yasuchika Hasegawa, Chairman of Keizai Doyukai
On Lower House Dissolution and General Election**

Prime Minister Shinzo Abe has announced today that he will dissolve the House of Representatives on November 21 for a general election (voting and counting) on December 14 with an official election campaign period starting on December 2. We understand that careful consideration is given to factors such as the latest indicator and outlook of Japanese economy before the decision to delay the consumption tax hike to 10 percent scheduled in October 2015 and to dissolve the Lower House.

It is questionable, however, whether Prime Minister Abe in today's press conference has fulfilled his accountabilities well enough for (1) why the commitment to execute the tripartite agreement two years ago should be given up and (2) why a public mandate is needed now. We hope efforts to ensure public understanding and acceptance will continue.

Each party is requested to run for the general election with its stance for key policy issues clarified.

Among those of utmost importance to maintain the confidence of the international community in terms of the delayed consumption tax hike are; (1) a roadmap to achieve the fiscal consolidation that is Japan's international commitment, and (2) a far-reaching deregulation to ensure the economic growth in the future in the fields such as employment, medical care, agriculture, venture creation, and Special Zones. In addition, each party is expected to present concrete options to the public for policy issues including (3) the integrated reform of social security and taxation as well as the future vision of the sustainable social security system, and (4) a political reform in order to rectify the disparity in voter representation.

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