

Keidanren Luncheon
List of Japanese Participants

Akio Morita	Vice Chairman Keidanren Chairman Committee on International Industrial Cooperation Keidanren Chairman & Chief Executive Officer Sony Corporation
Nihachiro Hanamura	Executive Vice Chairman & President Keidanren President Japan Institute for Social and Economic Affairs
Yoh Kurosawa	Acting Chairman Committee on International Industrial Cooperation Keidanren Deputy President The Industrial Bank of Japan Ltd.
Yoshio Okawara	Executive Adviser Keidanren <i>Former Ambassador to the U.S.</i>
Yukio Aida	President & Chief Executive Officer Nomura Investment Management Co., Ltd.
Asa Jonishi	Director & Senior Advisor Kyocera Corporation
Shigeyoshi Horie	Senior Managing Director Nippon Kokan K.K.
Rinzo Iwai	Executive Director Fujitsu Limited
Hisao Kudo	Managing Director Aoki Corporation

Yasuhiro Morimoto Managing Director
The Bank of Tokyo, Ltd.

Masami Aoyagi Managing Director
Asahi Mutual Life Insurance Co.

Yasukazu Akamatsu Director
Daiwa Securities Co., Ltd.

Yoshiro Kurisaka Managing Director
Japan Institute for Social and Economic Affairs

Kazuo Nukazawa Director
International Economic Affairs Dept.
Keidanren

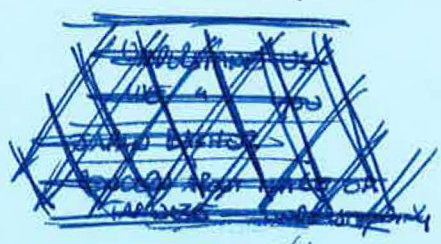
Shigeyuki Kuninobu Deputy General Manager
General Planning Dept.
The Tokyo Electric Power Co., Inc.

Yoshio Nakamura Senior Assistant Director
International Economic Affairs Dept.
Keidanren

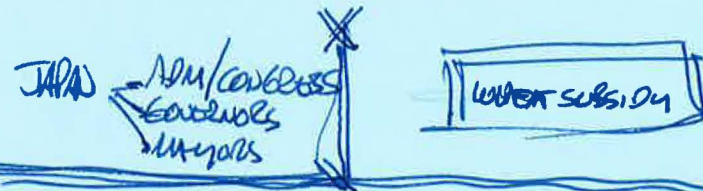
PDU

PACIFIC DEMOCRAT UNION

9/29 3:00PM (15.00)



1508 36
 30
 600



= MIYASHITA (FINANCE) = STRENGTH OF THE YEN OR SPEED OF STRENGTHENING?
 ↳ 3.6 TRILLION DOMESTIC SPENDING
 = WHAT KIND OF STRATEGY AND U.S. APPLY TO THE DEFICIT PROBLEM?
 = TRADE BARRIERS (NOW TRADE BARRIERS)

STRENGTHENING BY ITSELF MAY NOT CURE THE TRADE DEFICIT PROBLEM

= TANAKA (COMM. & IND.) → (EFFECT OF YEN STRENGTH DISCUSSION)
 = DIRECT INVESTMENT IN FOREIGN COUNTRIES (U.S.) ENCOURAGEMENT?

= KONDO (FLEXIBILITY & AGR.) → (WHEAT SUBSIDY) 40% OF IMPACT COMES FROM U.S.
 ↳ 3.6 TRILLION
 ↳ WHEAT SUBSIDY
 ↳ 40% OF IMPACT COMES FROM U.S.
 ↳ NEXT AGREEMENT = 10%
 = WOOD PRODUCTS - HOUSING POLICY (PART OF 3.6 TRILLION SPENDING)
 (STRONG FARM LOBBY) - U.S. RICE ASSOC. ASKING FOR LIBERALIZATION - RICE SELF SUFFICIENT (RICE VS. WHEAT)

= OTSUBO (LABOR) → APP. SOME REDUCED 36% PROFITABILITY IN MANUFACTURING
 UNEMPLOYMENT INCREASED A "LITTLE BIT" APPROXIMATELY (OR DETECTED)
 3%
 1.6 MILLION UNEMP. WORKERS 57 MILLION WORKERS
 = UNEMPLOYMENT LOCALIZED? (OVEREMPLOYMENT)
 = (TRAINING/RETRAINING)

SHINTA
 * EACH STATE TO INDUSTRIALIZE ITSELF

MONEY INVESTED IN U.S.
 AS WEAKER YEN STRENGTHEN COLLAPSE
 * WILL STAY IN U.S. TO "RECOVER"

60B ANTICIPATED DEFICIT (IF "OPENED" MAY BE SO/ASB DEFICIT)
(SO/ISOB - 1985)

CHINA 20/13 H/K 6.2 K 5 B

WESTERN EUROPE - 46B SWING

KOREA / HONG KONG / SINGAPORE / MALAYSIA / HAWAII

"MUST BECOME MORE PRODUCTIVE"

JAPANESE
FOLLOW THROUGH WORK WITH CUSTOMERS

DEFENSE RELATIONSHIP W/ JAPAN EXCELLENT

SHOULD STOP MALAYSIA OIL TO JAPAN

SOUTH KURILES (JAPANESE BUT OCCUPIED BY RUSSIANS)

100% SELF SUFFICIENT IN AG. (SELF SUFFICIENT IN RICE)

* 21ST CENTURY WILL BE THE CENTURY OF THE PACIFIC

"WESTWARD OR WESTWARD TO OCEAN" 42B

W.H. WHITMAN

MARKET SHARE

TRADING COMPANIES - 80% OF IMPORTS

58% EXPORTS (ALL EXCEPT AUTOS)

GRAND TOTAL 20% OF BUDGET
84 / 133
113 / 133
14% OF BUDGET / EXPORTS

STRENGTH OF YEN?

PACIFIC ISLAND NATIONS

"CREATIVE MULTINATIONAL"