

The “Rose Mark Seal Campaign”, Prospectus (International ver.)

We are a group of progressive people who formed and are promoting the “Rose Mark Seal Campaign” to support election candidates who advocate “anti-austerity” policies in pursuit of providing choices for voters and to supplant Abe Cabinet’s poor economic policies.

For the House of Councilors election in July 2019, it is necessary to first increase the number of associates with the same idea in the nationwide local elections in April. In the process, we will offer a "Rose Mark Seal" to candidates who adopt the "anti-austerity economic policy" regardless of which political parties they belong to. The "Rose Mark Seal" is a symbol of the global movement of people seeking the enrichment of lives and dignity. We believe that this campaign can create a new wave that can turn people's mood of insecurity into hope.

According to the 2017 Comprehensive Survey of Living Conditions by the Japanese Government, more than 50% of the population responded that their living conditions were difficult. This unpleasant result, we believe, is emerged from the people’s anxiety of losing their jobs, harassment at work, unpaid overtime, burden of nursing and child care, wage reduction etc. As a result, Japan’s personal consumption growth is slowing down and unable to overcome deflation. Meanwhile, it is a fact that large companies continue to raise “unprecedented” profit *1.

During the past five years, after the formation of the Abe cabinet in December 2012, despite of severe criticism and controversies from the public on economic policies, the cabinet continued to execute several irrational policies including raising rates of consumption tax from 5% to 8% in 2014, and gradual reduction of corporate tax. Controversies and opposing opinions are vocalized in other unprogressive policies as well, yet the current approval rating of the Abe cabinet remains high, and the current LDP has won five consecutive victories in national elections. The reason that such controversial situation continues is perhaps, because it indicates that voters who thought "There are no other choices to vote" did not go to vote, or a lot of people who actually voted could not find an opposition party that could bring up alternative economic

policies, and as a result, many people have no other choice but to rely on Prime Minister Abe's promises of economic recovery and improvement on employment situation *2.

The government is attempting to raise the consumption tax rate from 8% to 10% in October 2019, in pursuit of fiscal consolidation. However, the reality was that tax revenue from the previous consumption tax increases was used to fill in the gaps resulting from corporate tax reduction *3, despite of the initial promise that fiscal expenditure was to be spent to enhance social security system. In such a situation, personal consumption will decrease even more, and the seriousness of deflation becomes more severe, bringing inevitable damage to the national economy. In addition, in December 2018, with a stated intention as though to eliminate "(low wage) labor shortage", an amendment to the Immigration Control Act passed by the Diet, the majority of its members are from the ruling parties. Normally at this point, if there were other parties that can bring up more solid economic policies, the people would not have needed to vote for the LDP.

2019 is an important year for the future of Japan, starting with the unified local elections in April and followed by the Upper House election in July. Unfortunately, however, the oppositions have been unable to wipe off the negative image of the Democratic Party's government (the image of which the Democratic Party has failed to outrun the economic damage after the 2008 global financial crisis, because of the "theory of the fiscal crisis") that lasted three years since September 2009 and have been incapable of raising vigorous economic policies that would appeal voters providing prosperity and hope. What will happen to the people, over 50% of whom, claim their living conditions are worsening if the oppositions allow the implementation of the fiscal austerity measures by the ruling party, based on their "theory of fiscal crisis", which include the increase in consumption tax?

The government and the Osaka Restoration Association have launched stimulus measures including the opening of casino and hosting the Osaka World Expo in 2025 following the Tokyo Olympics in 2020 to boost the profits of foreign investors and big businesses. If the opposition parties remain incapable to compete with such flamboyant yet superficial policies, the current LDP will likely win again. And as a

result, ad hoc law amendments and controversial policies, ignoring strong opposition of many voters, will be further promoted. We are seriously concerned that the coercive and inconsiderate procedure by the ruling party will become habitual.

We must appeal strongly to the people that why the "austerity idea", rooted deeply in the LDP led by Prime Minister Abe and some opposition party members, is wrong. It is absolutely essential for both ruling and opposition parties to make every effort to formulate economic policies to improve the lives of the people as a priority issue and should be the focal point of debate in the election. We strongly believe it is time to appeal to people that returning to the idea of income redistribution and laying great importance on taking taxes from those who are wealthy, and investing in people to solve their concerns about nursing, medical and child care will boost economic growth and lead to the expansion of employment and eventually enriching people's lives.

In recent years, the anti-austerity movement has become a big swell and internationally integrated, which has a big influence in its own national economic policy. These "choices for the people" are now surfacing internationally. The 2018 midterm elections in New York, Democratic Representative Ms. Alexandria Ocasio-Cortez, who advocated "anti-austerity" policy (a term opposing the reduction of government expenditure such as social security) won over the Republican candidate Mr. Anthony Papas. In France, the "Yellow vests movement" by citizens halted the government's tax increase policy. We fully support these movements of "anti-austerity" and "anti-regressive tax increase". We feel it is absolutely important also in Japan to promote an "anti-austerity" movement in the aim of supplanting the Abe administration's economic policy.

In the same spirit of the "progressive movement", we share a common goal with our friends in the world who are fighting for their own justice. We certainly hope to receive the support from our friends for our "Rose Mark Seal Campaign", and to be united for the better future of the human society.

<Rose Mark Seal Certification Criteria>

We certify candidates who agree with the objectives of the “Rose Mark Seal Campaign”, who disagree the austerity policy of the government prioritizing fiscal discipline over the improvement of people’s living conditions is wrong, and also accept to insist primarily the following anti-austerity policies. This does not mean we recommend candidates in terms of policies outside the economic theme.

1. Complete halt to raising consumption tax from 8% to 10%. (Preferably a reduction to 5% for economic measures. However, this is not necessary for certification)
2. Prioritizing the improvement of people’s living conditions. Increasing fiscal spending on social security, medical care, nursing care, child care, education, and disaster prevention, thereby improving the economy and creating a large amount of high-quality employment. (It is desirable for candidates for national election to claim the they “never allow reverts to the age of depression, where mass employment lingered)
3. Raising minimum wage, strengthening labor standards, eradicating companies that compel workers to work overtime and oppressing wage rates, and abolish the slavery-like “foreign technical training program” that is violating human rights.
4. Creating fair taxation system based on each level of economic power, such as enhancing taxes on large companies and the wealthy (Income tax, Corporate tax).
5. Until the tax increase in (4) is realized, (2) must be carried out by public financing via issuance of government bonds and that at low cost. Thus it is necessary to refrain from advocating policies against such measures.
6. Developing public infrastructures, keeping its operation by public expenses.

Note: As a philosophy of the “Rose Mark Seal Campaign”, individual dignity is a premise. Therefore, political parties and candidates who speaks and behaves against individual dignity, such as ethnic discrimination and sexism, are not subject to certification.

*1 Outlook for listed companies in the fiscal year ending March 31, 2019 forecasts net income to rise by 1% compared with the previous term and to secure the highest profit for the third consecutive year <18/11/16 Nikkei Inc.>

*2 In the monthly economic report of November 2018, the unemployment rate was 2.3%, the lowest in 25 years, and active job offering ratio was 1.64 times, exceeding the bubble period.

*3 <18/06/05 Business Journal>

The "Rose Mark Seal Campaign" was officially launched on February 1 in Tokyo, Japan, by founder and representative, Professor Tadasu Matsuo of Faculty of Economics, Ritsumeikan University, and other associates. Those who wish for further details, please contact:

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