

Updates on Japanese Business and Economy

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1. Mr. Masakazu Tokura Nominated to Succeed Retiring Chairman Nakanishi



New Chairman Tokura

Current Keidanren Chairman Hiroaki Nakanishi has announced he will step down due to health issues at this year's Annual General Meeting. Mr. Masakazu Tokura, Vice Chair of the Board of Councillors of Keidanren (and Chairman of Sumitomo Chemical) was named the next Chairman at the 30th Board of Directors meeting held on May 10. Vice Chair Tokura is scheduled to be inaugurated as Chairman at the Annual General Meeting on June 1.

2. “. The NEW Growth Strategy” Concept Movie Released

Keidanren recently released a concept movie of its policy proposal, “. [The NEW Growth Strategy](#)”, which states that the business community should drive the realization of “Sustainable Capitalism,” under which multiple stakeholders are co-creating and providing value to society.

The current pandemic has forced the global economy into recession and shed light on the disparities that had been growing wider under capitalism. Now is the time to mark an end to conventional growth strategies and shareholder primacy, and to propose a new one — that is what the period in the title of the Strategy signifies.

Toward a sustainable future, the Strategy proposes action on five pillars: (1) New Growth through DX, (2) Transformation of Work Styles, (3) Regional Revitalization, (4) Rebuilding the International Economic Order, and (5) Realization of Green Growth. Keidanren calls for each of us to take action for the achievement of sustainable capitalism.



3. Announcement of the “# Here We Go 203030” Initiative, Aiming for 30% of Executives to be Women by 2030

On March 15, Keidanren announced its new “[# Here We Go 203030](#)” initiative, under which supporting companies and their business leaders pledge to promote diversity and inclusion and to pursue the goal of 30% of executives being women by 2030 as indicated in “The NEW Growth Strategy,” Keidanren’s new proposal (see 1).

The initiative aims to create a shared understanding of the significance of the 30% goal and a movement through which to achieve it. It requires business leaders to (1) position diversity and inclusion as an essential pillar of corporate strategy, (2) accelerate efforts to utilize the perspectives of diverse human resources, including women, in the decision-making process, (3) strengthen the talent pipeline, and (4) reform the organizational culture to maximize employee performance.



Chair Karasawa (right) and Chair Uotani, Committee on Diversity & Inclusion, Keidanren



The Japanese business community commits to taking action both domestically and globally. As part of our efforts, here in Washington, DC, Keidanren USA supported the online event “[We Have the Spirit](#),” hosted by the Embassy of Japan in the United States on March 19. Event participants included two Japanese national team soccer players, [Ms. Kumi Yokoyama](#) and [Ms. Saori Takarada](#) from the Washington Spirit (a professional women’s soccer team based in Washington, DC) as well as [Ms. Kikuko Okajima](#), chair of [WE League](#) (Japan Women’s Empowerment Professional Football League, which will begin play this year). The event traced progress in

women’s empowerment in Japan, and introduced new Japanese technologies for improving the fan experience, and also encouraged further strengthening of U.S.-Japan friendship through sports.

4. Virtual Meeting with Congressional U.S.-Japan Caucus Co-Chairs

On April 6, the Chairs of Keidanren’s Committee on U.S. Affairs, Shigeru Hayakawa (Vice Chairman, Toyota Motor Corporation), Yoshiharu Ueki (Director, Chairman, Japan Airlines Co., Ltd.), and Tsuyoshi Nagano (Chairman of the Board, Tokio Marine Holdings, Inc.) participated in a virtual meeting with Congressional U.S.-Japan Caucus Co-Chairs Representative Joaquin Castro (D-Texas) and Representative Adrian Smith (R-Nebraska).

At the beginning of the meeting, Chair Hayakawa introduced Keidanren’s activities for strengthening U.S-Japan relations, including Keidanren delegation visits to the United States. The Caucus Co-Chairs expressed their appreciation for Japanese companies’ contributions to the U.S. economy through investment and employment as well as being good corporate citizens. The summary of the meeting is as follows.



Co-Chair Castro



Co-Chair Smith

<Tackling Climate Change>

Chair Nagano stated that Japan and the U.S. should strengthen cooperation in green growth, especially in developing international rules enabling the transition toward a decarbonized world. Co-Chair Castro responded that Texas has the highest wind energy ratio in the U.S., that it is making progress in the use of solar power, and that the renewable energy industry is creating many jobs. He also expressed his belief that Houston, a longtime producer of fossil fuels, needs to shift to green energy to remain the “energy capital of the world.” Co-Chair Smith pointed out that diversification of energy sources is necessary for such a state as Nebraska, where weather conditions are unstable. Thus the government should encourage investments from long-term perspectives rather than investing public funds to create winners and losers.

<COVID-19 Countermeasures and Vaccination>

Concerning Japan’s response to COVID-19, Chair Ueki noted that the number of domestic air travel passengers is recovering significantly slower than in the U.S. due to delays in vaccination. In response, Co-Chair Castro explained that in the U.S., all adults would have the opportunity to be vaccinated by the end of May, and accordingly, travel industry employment is beginning to recover in conjunction with the Biden administration’s \$1.9 trillion COVID relief package.



Chair Nagano, Hayakawa, and Ueki (from left to right),
Committee on U.S. Affairs, Keidanren

<Expectations for the U.S.-Japan Leaders Summit (on April 16)>

As to the expectations for the U.S.-Japan Leaders summit meeting, Co-Chair Castro listed cooperation on security-related issues such as China and North Korea, further vitalization of the QUAD (Quadrilateral Security Dialogue), and cooperation on COVID-19 countermeasures. Co-Chair Smith stated that trade is the top priority for

the U.S. and Japan, and that he also expects cooperation on semiconductors sector trade.

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For more information on Keidanren's recent activities, please visit [here](#) and our weekly journal [Keidanren Times](#).

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