

The First Proposal for Recovery from the Great East Japan Earthquake
- Aiming for the earliest possible restoration and reconstruction of the afflicted areas and Japan's economic recovery -

It has been more than one month since the devastating earthquake and tsunami hit northeastern Japan on March 11, 2011. The recent disaster was much more catastrophic than the Great Hanshin–Awaji Earthquake on January 17, 1995, in terms of both the scale and scope of damage, although local governments in the afflicted areas still cannot grasp the whole picture of the damage. The earthquake and tsunami were followed by a nuclear accident, which resulted in a power shortage in the Tokyo metropolitan area. The impacts from these series of events have spread throughout Japan's economy. Such impacts include: a decline in demand due to the prevailing negative sentiment among consumers; stagnant or declining production caused by disruptions to supply chains; and economic loss incurred by the agricultural and fishing industries as well as exporters of industrial products, and a sharp drop in overseas tourists due to unsubstantiated rumors about radioactive contamination.

Japan now faces its first major crisis in the post-Second World War era; economic activity in eastern Japan is certain to remain stagnant for a considerably long time; and the functions of the Tokyo metropolitan area as a political, administrative and economic center in Japan will inevitably decline. In a time like this, the Kansai region must utilize the fullest extent of its capacities, make use of its experience from the Great Hanshin–Awaji Earthquake to support restoration and reconstruction efforts, and strongly sustain Japan's overall economy.

The most urgent tasks are to help disaster survivors stabilize their lives as early as possible and help the disaster-afflicted areas restore their economic infrastructure. The national government must therefore promptly enact a supplementary budget for restoration work and establish a command and control center with strong authority and broad responsibility that will recognize the needs and concerns of all municipalities afflicted by the disaster and implement effective measures in a timely manner.

The reconstruction of afflicted areas requires bold and aggressive efforts unconstrained by precedents and existing systems. It also needs a reassessment of potential risks facing Japan. Based on such reassessment, a fundamental review of the location of Japan's political, administrative and economic functions and the entire national structure must be undertaken to demonstrate a new vision for Japan.

Based on the principle that reconstructing disaster-afflicted areas requires nationwide support, the Kansai business community will strive to promote seamless collaboration across western Japan, provide continuous reconstruction support, help promote Japan's quick economic recovery, which will assist reconstruction efforts, and help transform Japan's economic structure so that it can better respond to future disasters.

To resolve the immediate issues, we have compiled our first proposal, the outline of which is shown below. In this proposal, we request the national government and relevant local governments to take necessary measures and we express our intention to provide continuous support while ascertaining the wishes of the afflicted areas.

Outline of the First Proposal (The full text is available in Japanese.)

1. Budget spending and establishment of a strong implementation system

- (1) Prompt enactment of the first supplementary budget by the national government
- (2) Securing of financial resources for reconstruction without disrupting the process of regaining financial health
- (3) Establishment of a strong implementation system by organizing a command and control center
- (4) Establishment of a one-on-one support scheme through which a non-afflicted local government directly supports an afflicted local government

2. Regaining control of Fukushima Daiichi Nuclear Power Plant accident as early as possible

3. Strengthening reconstruction support and reinforcing efforts for Japan's quick economic recovery

- (1) The Kansai business community's efforts to provide continuous reconstruction support
 - (2) Request for measures to be taken for western Japan to support the nation's economic activities
 - (3) Strengthening efforts to maintain or recover the image of the Japan "brand"
4. Developing "Strategies for Full Reconstruction of Afflicted Areas and Japan's Economic Regeneration" (tentative name) as early as possible

Kansai Economic Federation

Osaka Chamber of Commerce and Industry

Kyoto Chamber of Commerce and Industry

The Kobe Chamber of Commerce and Industry

Kansai Keizai Doyukai (Kansai Association of Corporate Executives)