

# A divided United States and faults in Japan

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Prime Minister Abe and President-elect Trump held a talk for the first time on November 18, 2016. It seems that it was somewhat unprecedented, as if it may suggest as to the relationship between Japan and the U.S. in the future.

Personally, while there are numerous theories, I feel that Trump won via the process of elimination; in short, it is merely the result of a passive decision after being forced to make the choice between two stark alternatives, as nothing would have changed under Hilary Clinton. It does not mean that his character and policies are supported.

However, it is certain that the result indicates the internal divisions within the United States, characterized by dissatisfaction and discrimination, which are far greater than had previously been imagined; and I have no definitive answers to indicate how these political divisions will impact various aspects of the world. One thing that I can say is Japan will directly face unparalleled geopolitical risks brought on by the economic superpower that is the United States.

The most troublesome policy of Mr. Trump's—who campaigned on an extreme 'America first' ideology—pledges is his proposed tax reform which includes a plan to lower the corporate tax rate to 15% (it is currently 35%). If this plan was actually put into practice, the impact on the international economy would likely be immeasurable. While tax havens were drawn into the spotlight this year through the Panama papers, if his pledges become reality, there could be a chance that the United

States, the largest economic superpower in the world having the highest corporate tax rates, will become a tax haven in many ways. If that happens, Japan will absolutely face damaging circumstances.

Human history is characterized by cycles of scrapping and building to achieve change; the product of the so called grand societal experiment. What is crucial is who the subject of the experiment is. Contemporary Japan has primarily learned from the experiments of the West and taken the benefits from the results. However, the problems we are currently facing cannot be solved without the awareness of ourselves being the front runner in them.

As seen with quantitative and qualitative monetary easing and helicopter money theory, Japan must not become a testing lab for the experiments of other countries. Even though Japan, in the postwar era, has grown accustomed to thought patterns of making comparisons to America as a standard, I believe that we, the people of Japan, must follow the path with self-reliance and independence, and doing so is also part of a great historical experiment and challenge.

President Trump's election, resulting from division, will place Japan's many problems, which we had thought would somehow work themselves out and from which we had averted our gaze, in the forefront of our intentions, like a fault.

The issues can no longer be avoided, and there is no "haven" from them.

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