

TABLE 2

Japanese banks lead the world in assets: the top 12 banks

(billions of dollars at 130 yen to the dollar)

Banking company	Country	Total assets (loans outstanding as of March 31, 1989)
Dai-ichi Kangyo Bank	Japan	\$386.94
Sumitomo Bank	Japan	376.09
Fuji Bank	Japan	364.04
Sanwa Bank	Japan	348.36
Mitsubishi Bank	Japan	343.59
Industrial Bank of Japan	Japan	257.58
Norinchukin Bank	Japan	241.95
Tokai Bank	Japan	225.12
Mitsui Bank	Japan	219.67
Mitsubishi Trust	Japan	210.47
Crédit Agricole	France	207.99
Citicorp	U.S.A.	203.83

Source: American Banker.

industrially useful, such as agricultural products, forestry, fishing, mining, and related construction. Another \$18 billion is for transportation (infrastructure). Fully \$182 billion however, is wasteful service sector investment.

This is not just massive Japanese investment in inflated North American real estate at \$30.5 billion. In Asia, Japan's investments in industry versus services are about equal, but it turns out on closer examination that 25% of total Japanese investment are in the British-dominated financial centers of Hong Kong and Singapore. In Ibero-America, which gets only 13% of Japanese Foreign Direct Investment private investment, more than half is in the Cayman Islands, Panama, and other offshore banking havens.

Unless Japan ceases the practice of letting the IMF lead it around by the nose, the Japanese system will inevitably crash with the rotten U.S. banking system. Japan has the largest banks in the world which operate massively in the dollar-based banking sector (Table 2). Japanese private bankers insist that "Third World debt is a terrible problem, but we have to follow the lead of the U.S. banks on this."

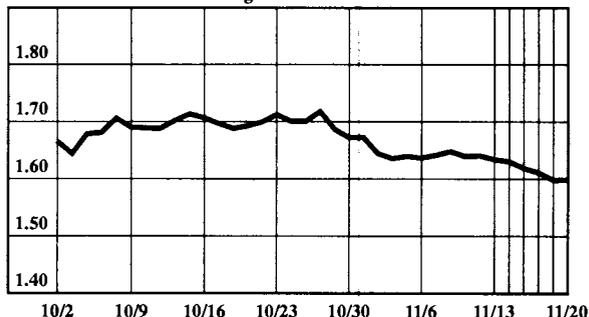
The Japanese government has to wake up and realize that Japan cannot hide in Asia from the mess that the British and American banks are making in the rest of the world by shutting down production and funding speculative debt. The Asian market alone simply cannot support a banking and industrial system of Japan's size. Japan must demand an end to IMF shock therapy austerity and switch to large-scale industrialization projects for the entire Third World, if only to save the Japanese system.

To be continued.

Currency Rates

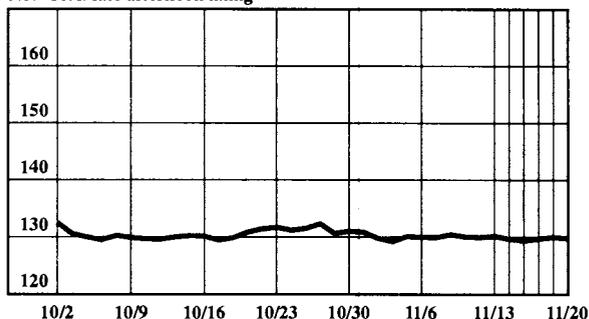
The dollar in deutschemarks

New York late afternoon fixing



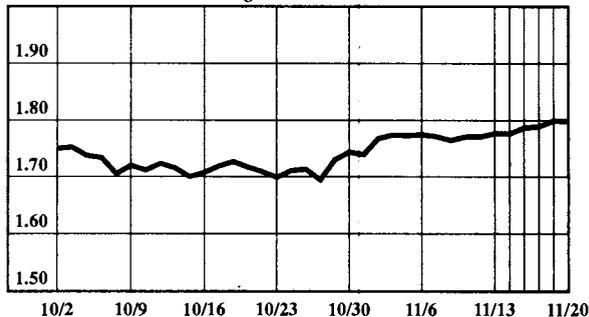
The dollar in yen

New York late afternoon fixing



The British pound in dollars

New York late afternoon fixing



The dollar in Swiss francs

New York late afternoon fixing

