

# 野田政権の経済政策とアジア地域経済統合

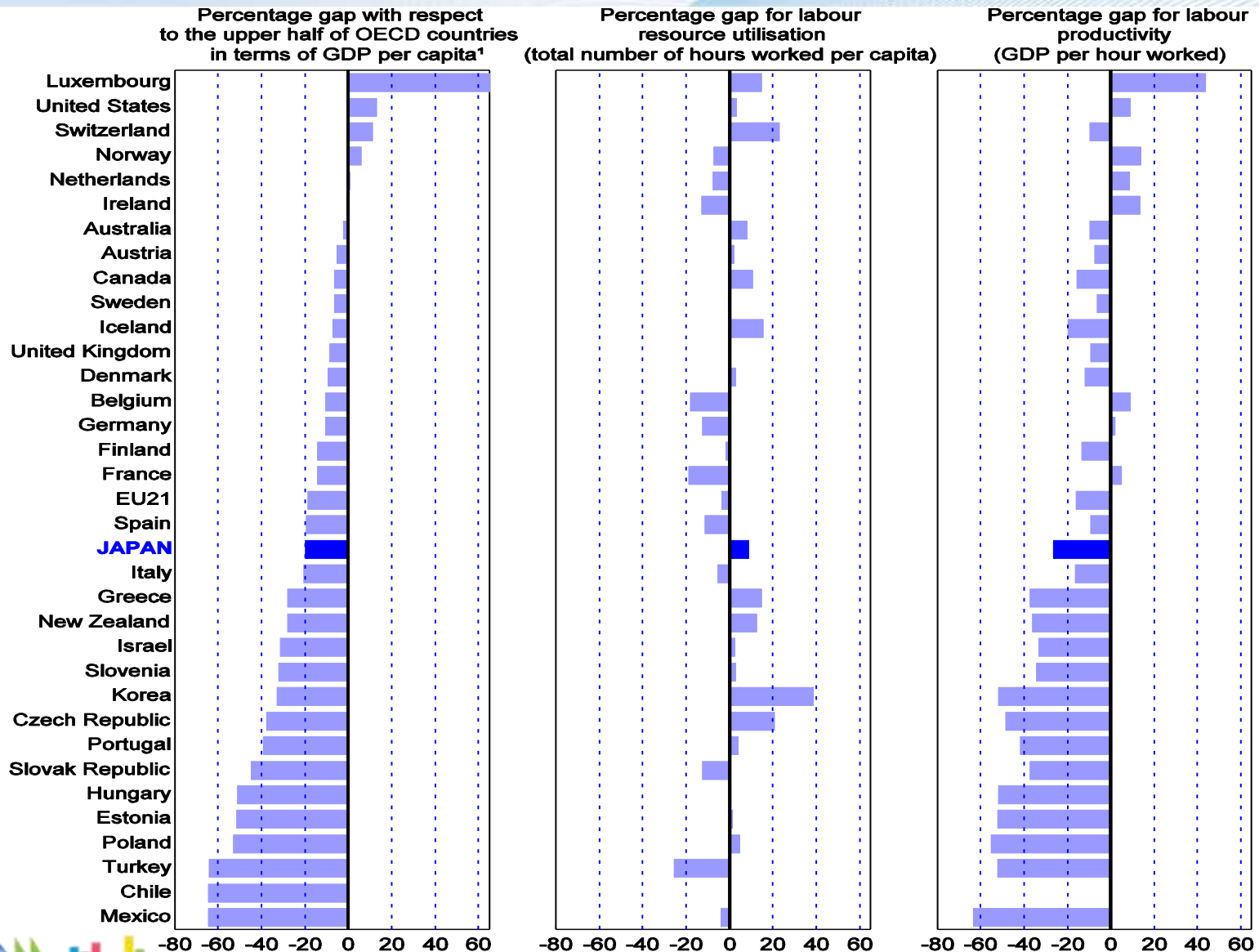
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OECD 経済局日本・韓国課長

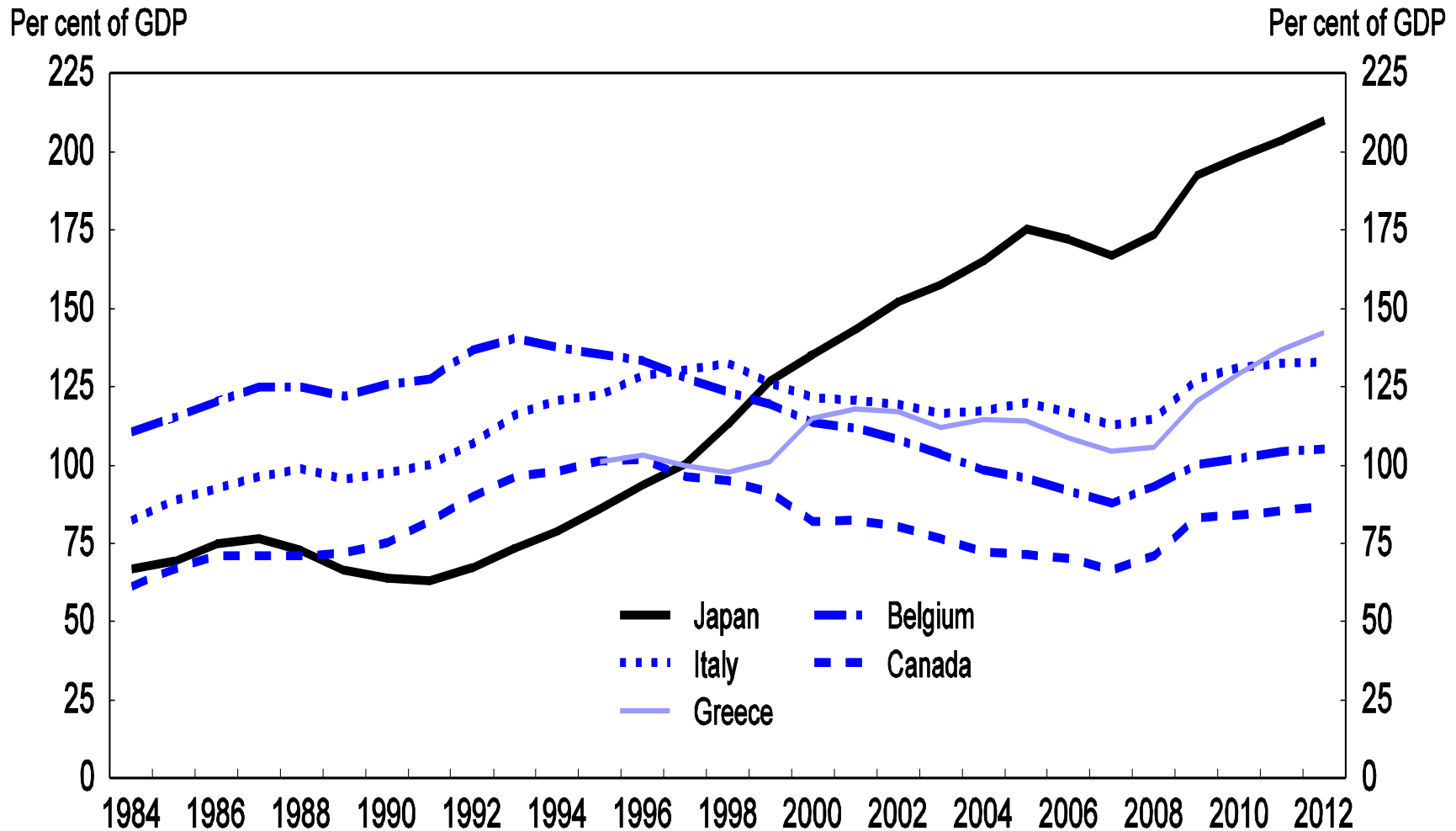
早稲田大学

OECDレクチャーシリーズ  
2011年10月7日

# Explaining differences in income in 2009



# Gross debt<sup>1</sup> in selected OECD countries<sup>2</sup>

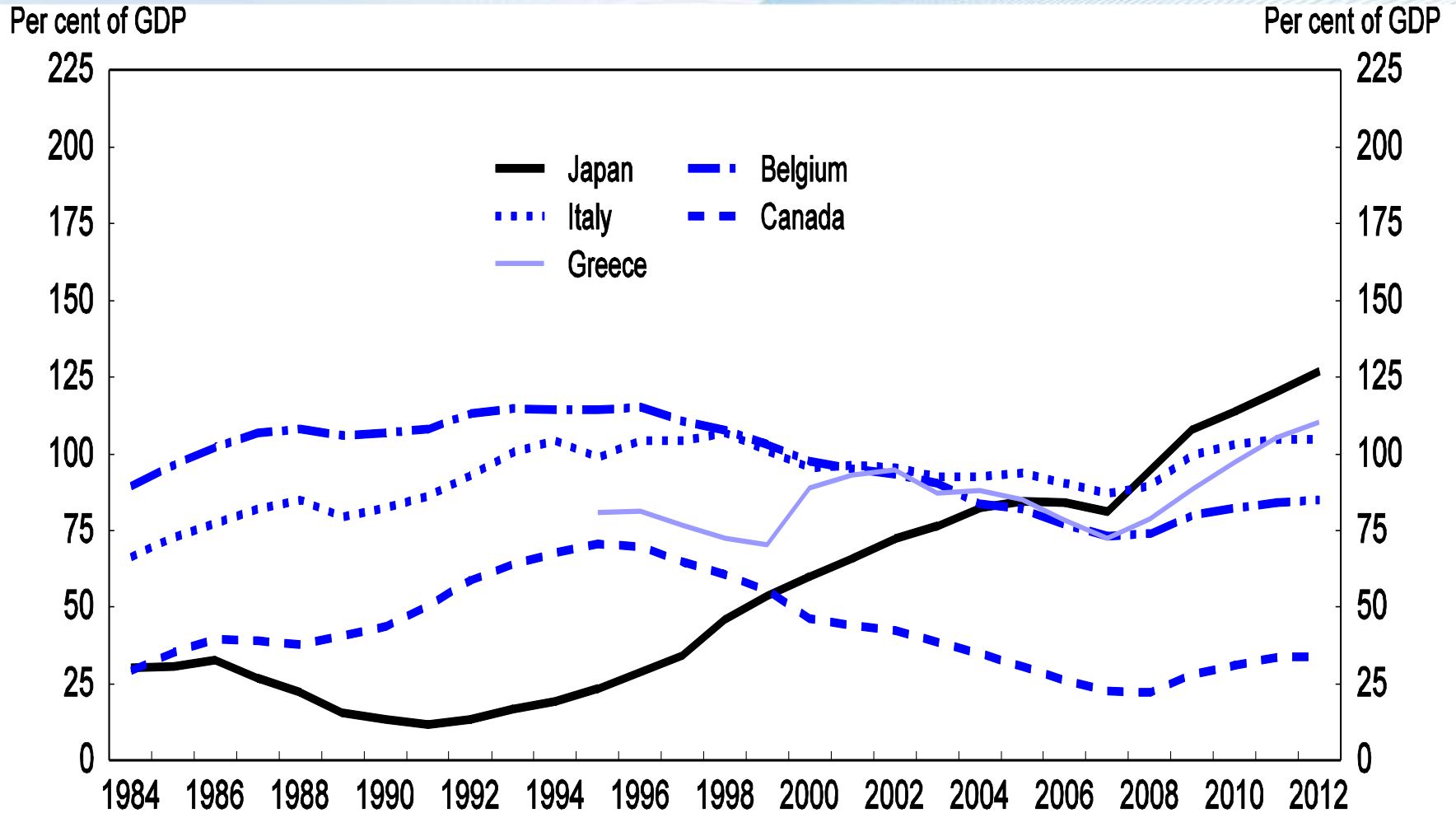


1. OECD estimates for 2009-10 for Japan and 2010 for the other countries. OECD projections for 2011-12.

2. The five countries with the highest gross debt ratios in the OECD area in 2000.

Source: OECD (2010), *OECD Economic Outlook*, N° 88, OECD, Paris.

# Net debt<sup>1</sup> in selected OECD countries<sup>2</sup>

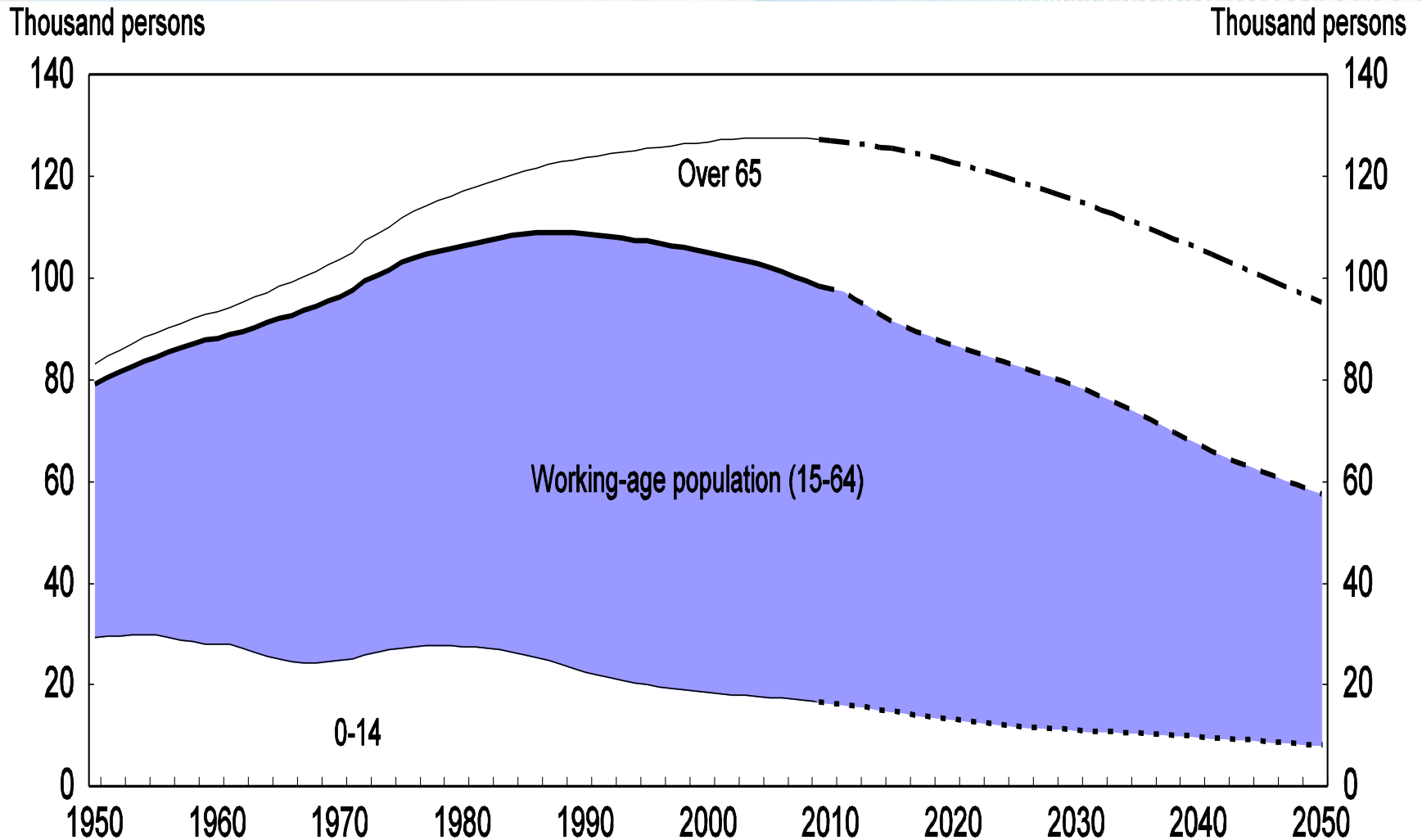


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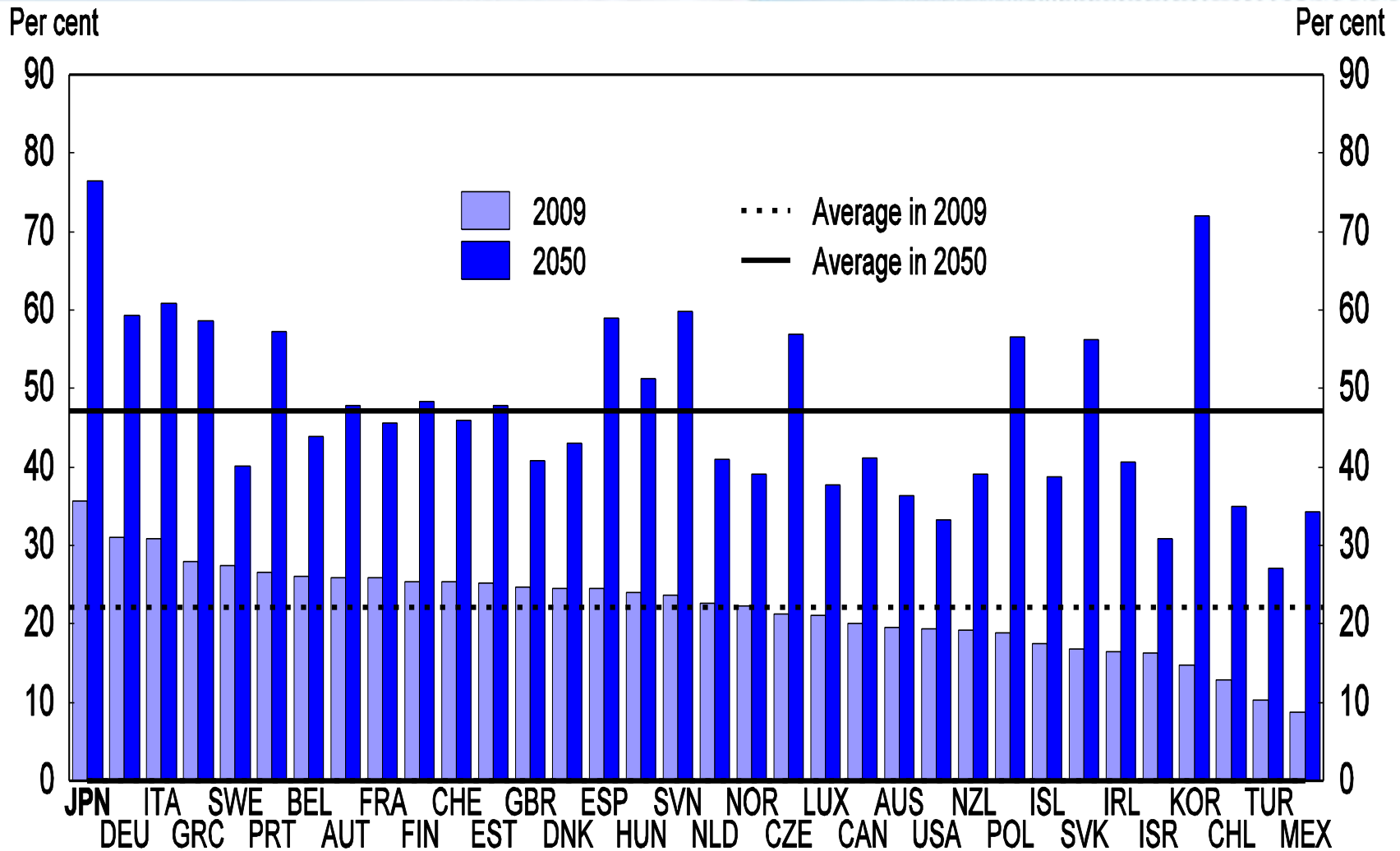
Source: OECD (2010), *OECD Economic Outlook*, N° 88, OECD, Paris.

# Population projections by age category



Source: National Institute of Population and Social Security Research, Population Projection for Japan (December 2006 version).

# Elderly dependency ratio<sup>1</sup>

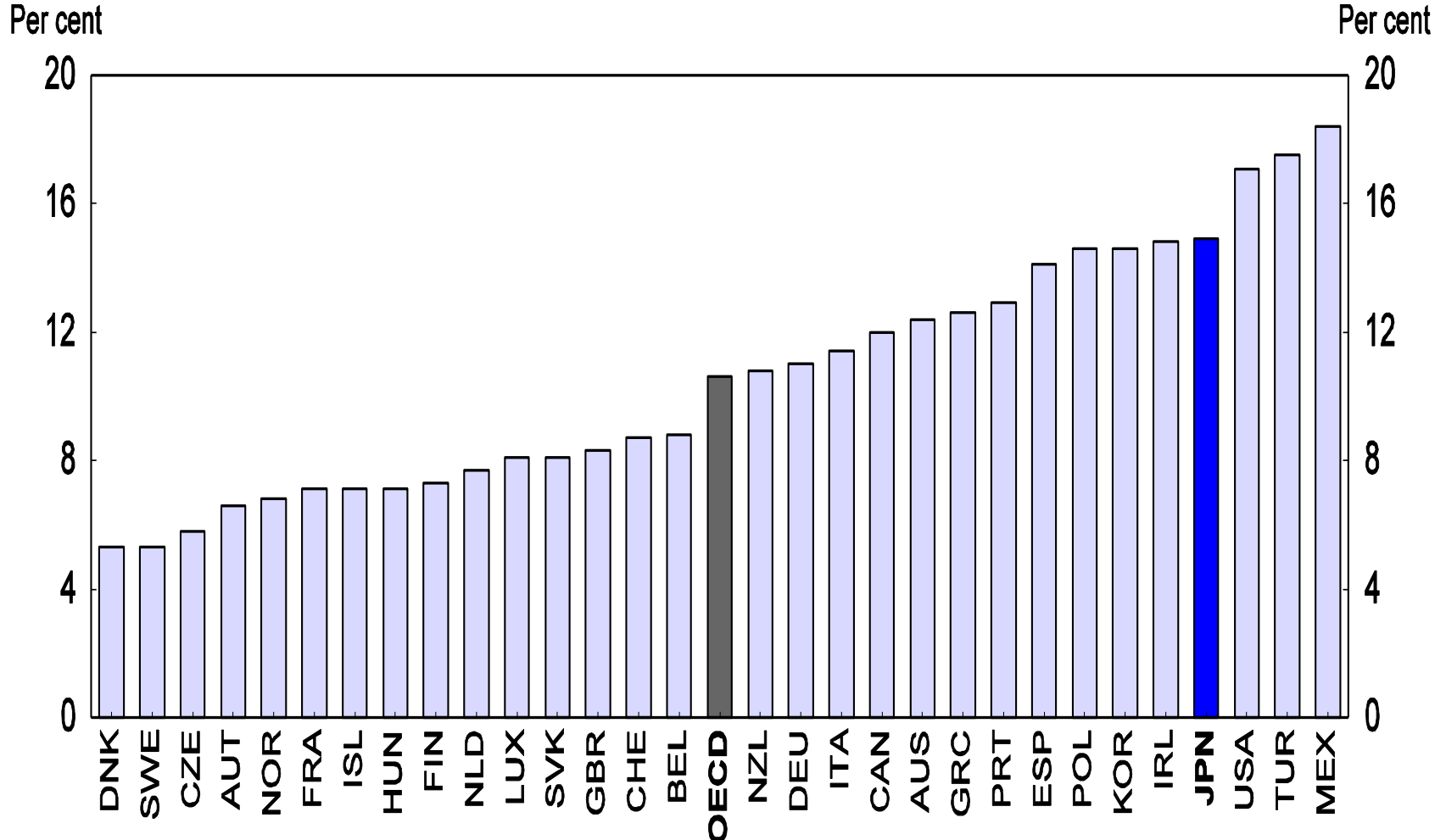


1. The over-65 population as a share of the working-age (15 to 64) population.

Source: OECD, Society at a Glance Database.

# International comparison of relative poverty rates

In mid-2000s, with relative poverty defined as income less than 50% of median income thresholds<sup>1</sup>



1. Poverty rates are defined as the share of individuals with equivalised disposable income less than 50% of the median for the entire population. The income concept used is that of household disposable income adjusted for household size.

Source: OECD (2008), *Growing Unequal? Income Distribution and Poverty in OECD Countries*, OECD, Paris.



# New Growth Strategy to boost Japan's growth potential

## Supply-side policies

<b>1. Science, technology and IT</b>	<b>1. Create “leading graduate schools” to enhance international competitiveness</b>
	<b>2. Promote the use of ICT in the government and provide broadband to all households by 2015</b>
	<b>3. Increase R&amp;D investment to at least 4% of GDP</b>
<b>2. Employment and human resources</b>	<b>4. Integrate childcare and kindergartens and develop quality childcare</b>
	<b>5. Create a “National Vocational Qualifications” system and a “Personal Support Service” for the poor</b>
	<b>6. Establish a new system of volunteer activity and charitable giving</b>
<b>3. Financial sector</b>	<b>7. Create an integrated exchange for securities, financing and commodities</b>





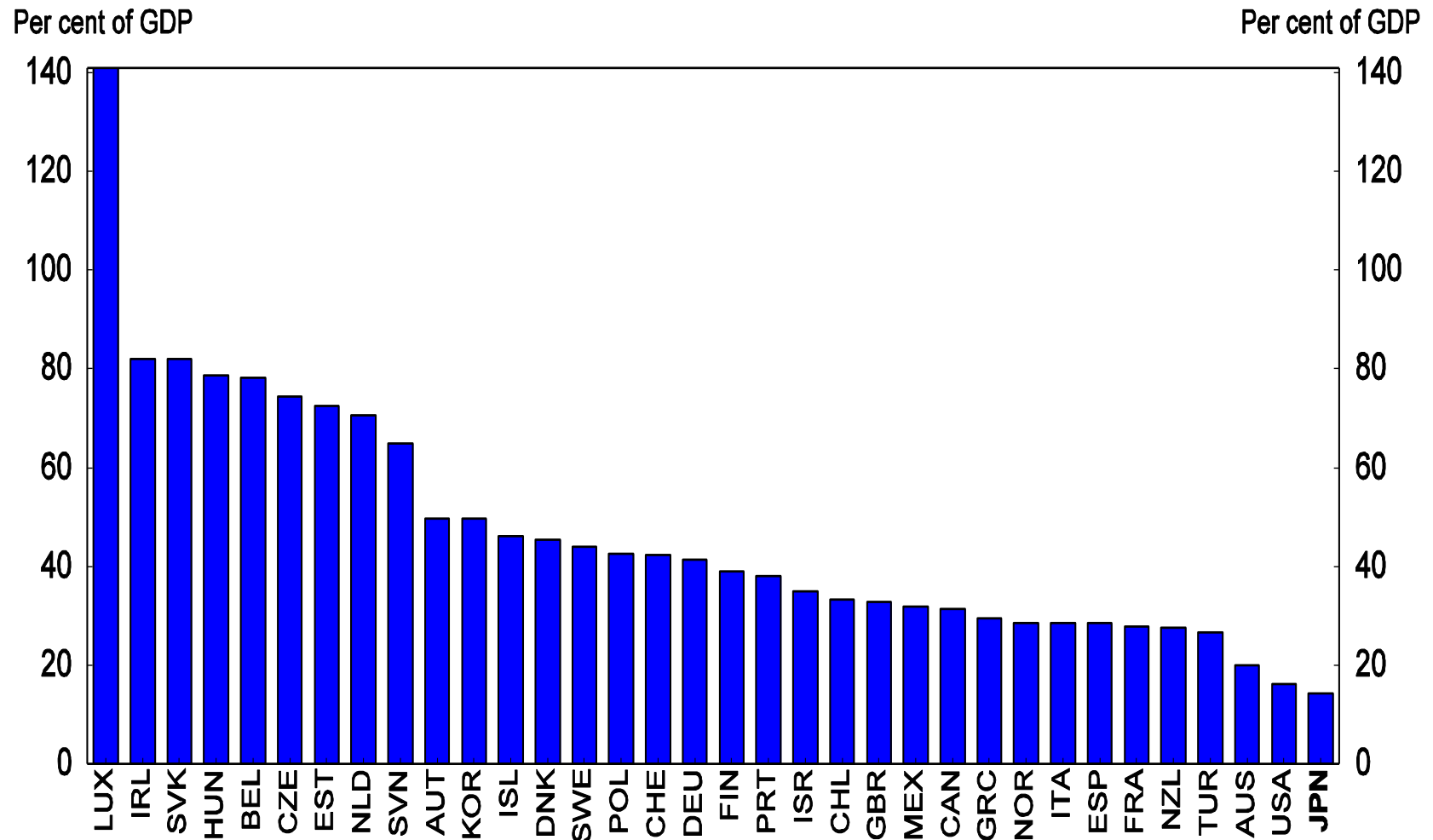
# New Growth Strategy to boost Japan's growth potential

## Demand-side policies

<p><b>1. Green innovation</b></p>	<ol style="list-style-type: none"> <li>1. Introduce a feed-in tariff system to expand the renewable energy market</li> <li>2. Use the Future City Initiative to promote the use of eco-products and services</li> <li>3. Revitalise forestry and raise the self-sufficiency ratio to over 50%</li> </ol>
<p><b>2. Life innovation</b></p>	<ol style="list-style-type: none"> <li>4. Expand options for patients by quick provision of new drugs and devices</li> <li>5. Establish Japan's position globally as a provider of high-quality medical care</li> </ol>
<p><b>3. Asian economic integration</b></p>	<ol style="list-style-type: none"> <li>6. Make Japan a major player in exports of infrastructure systems</li> <li>7. Cut the corporate tax rate and promote Japan as an Asian industrial centre</li> <li>8. Foster global talents and increase the number of talented foreign personnel</li> <li>9. Strengthen the competitiveness of domestic firms by making Japanese standards global ones and increasing Japan's role as a content provider</li> <li>10. Promote economic partnerships, particularly with Asian countries</li> </ol>
<p><b>4. Tourism and local revitalisation</b></p>	<ol style="list-style-type: none"> <li>11. Create global strategic special zones and promote full "open skies"</li> <li>12. Make Japan a tourism-oriented nation and attract 25 million visitors annually</li> <li>13. Double the size of the market for existing housing and remodeling of housing</li> <li>14. Open public facilities to the private sector and promote projects using private-sector partnerships</li> </ol>

# The share of imports in GDP is the lowest in the OECD area

2010



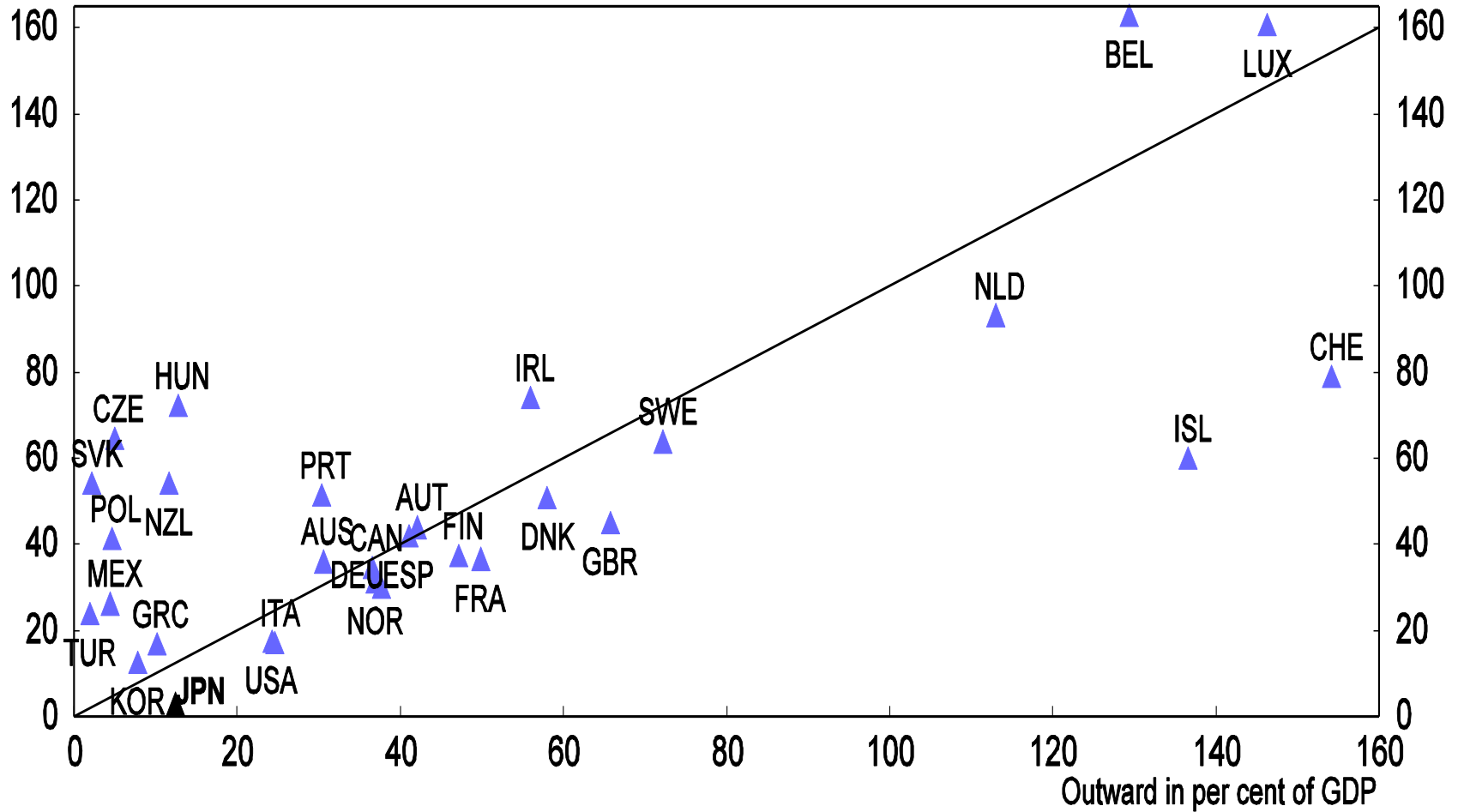
Source: OECD Analytical Database.

# The stock of inward direct investment is second-lowest in the OECD area

2007

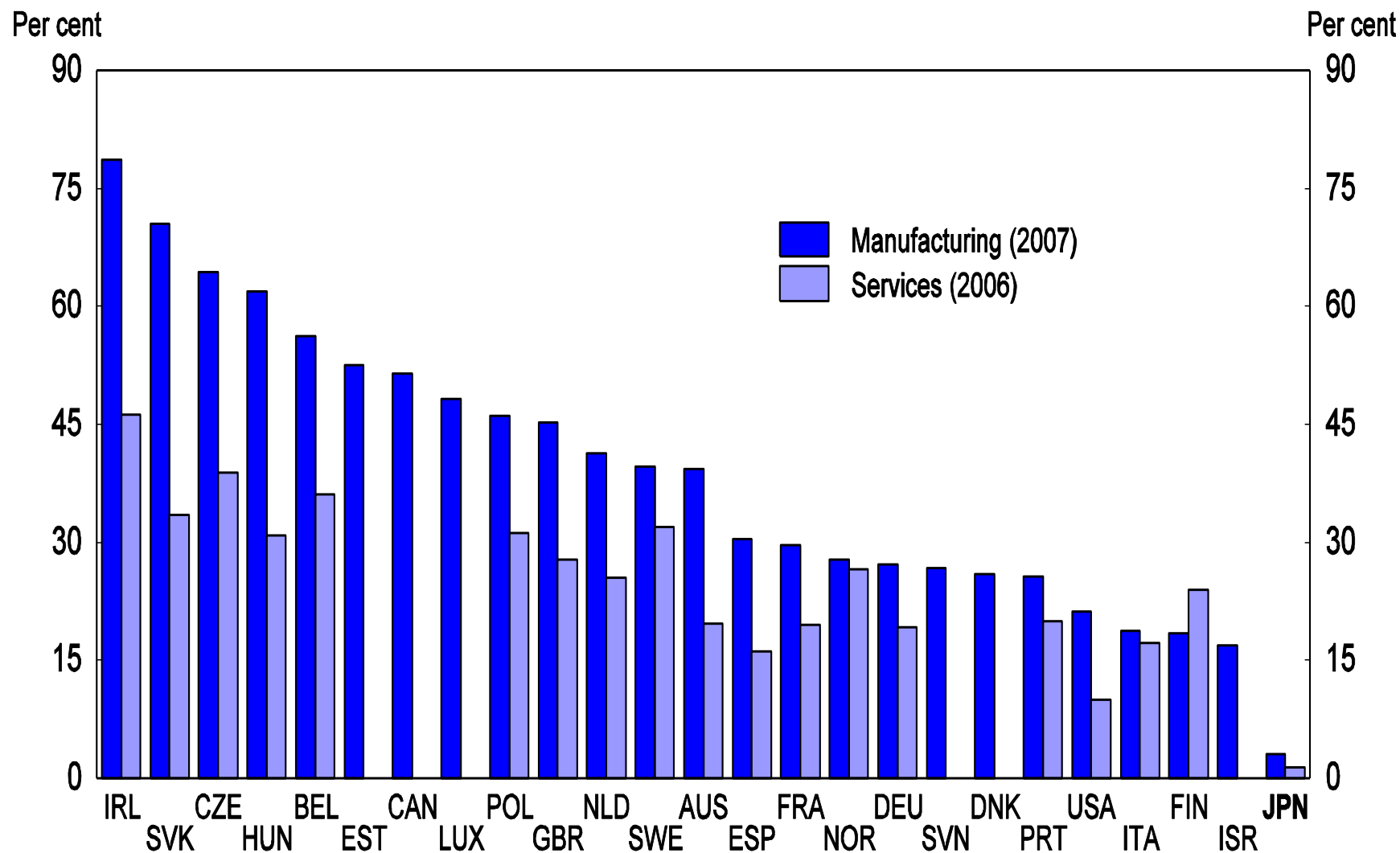
Inward in per cent of GDP

Inward in per cent of GDP



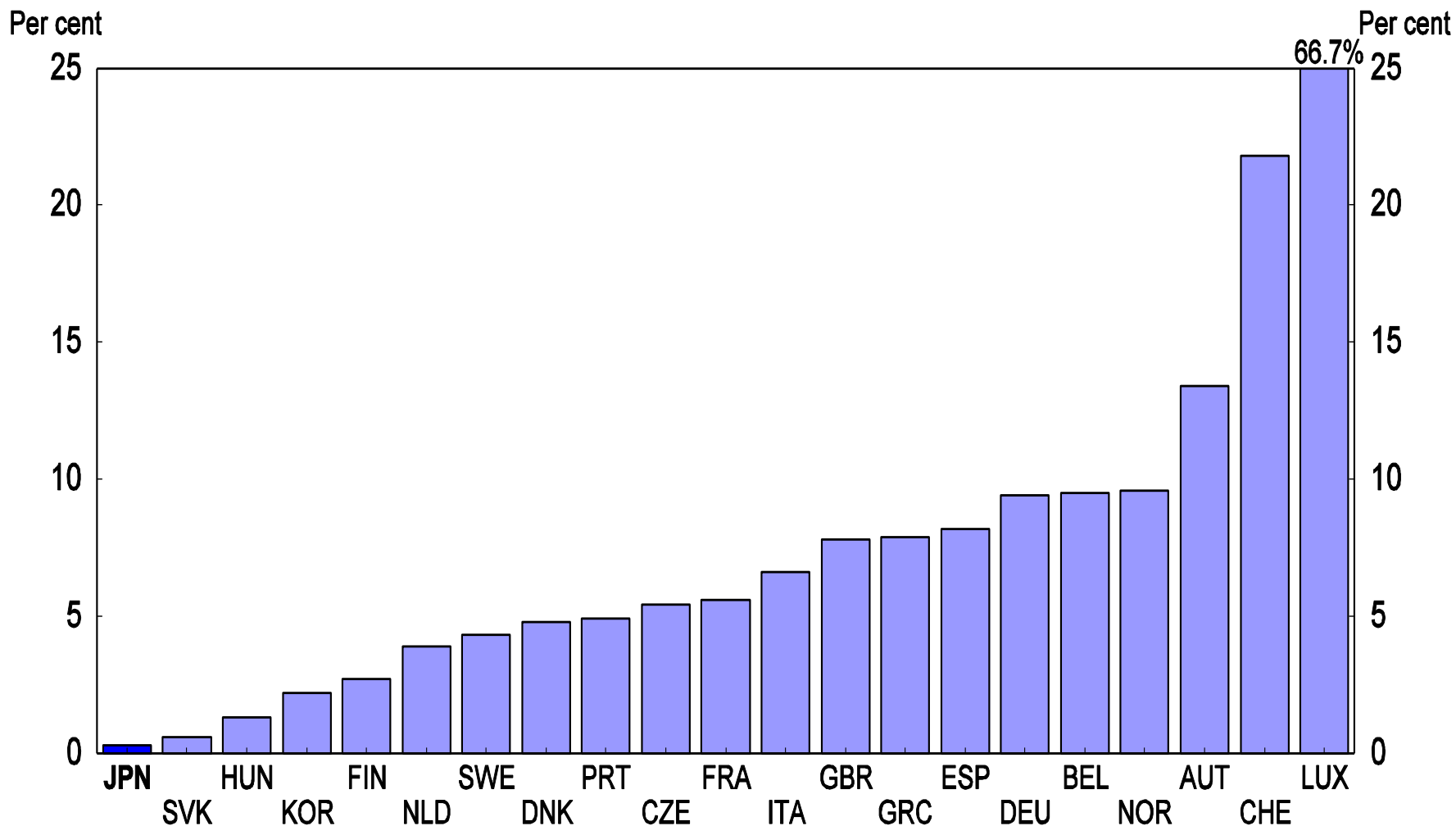
Source: OECD (2010), *Economic Globalisation Indicators 2010*, OECD, Paris.

# Share of foreign-controlled affiliates in turnover in manufacturing and services sectors



Source: OECD (2010), *Economic Globalisation Indicators 2010*, OECD, Paris.

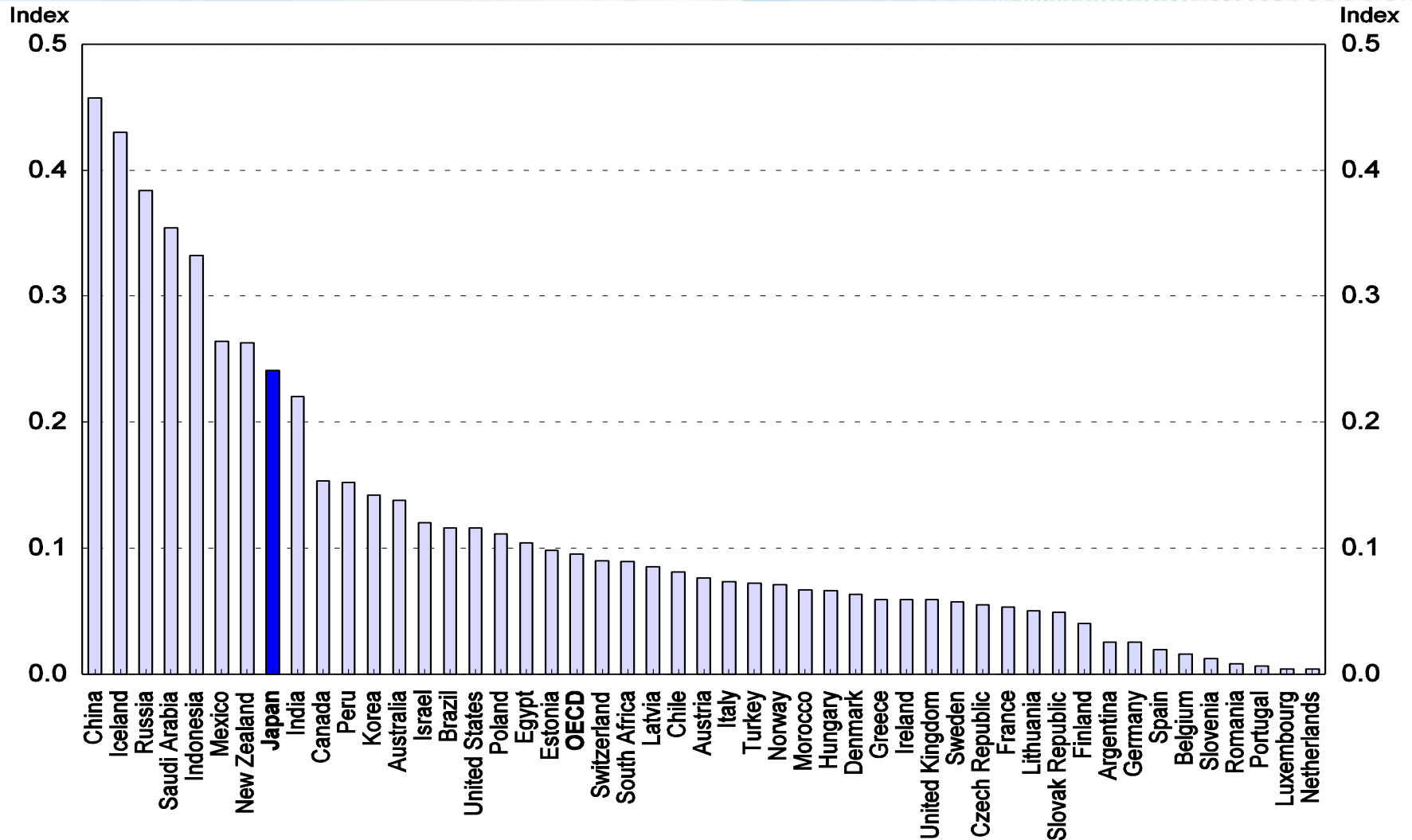
# Share of foreign workers in the labour force in 2008 or latest



Source: OECD (2010), *Economic Globalisation Indicators 2010*, OECD, Paris.

# FDI restrictions in Japan are high

2010



Source: OECD (2010), *OECD's FDI Restrictiveness Index: 2010 Update*.

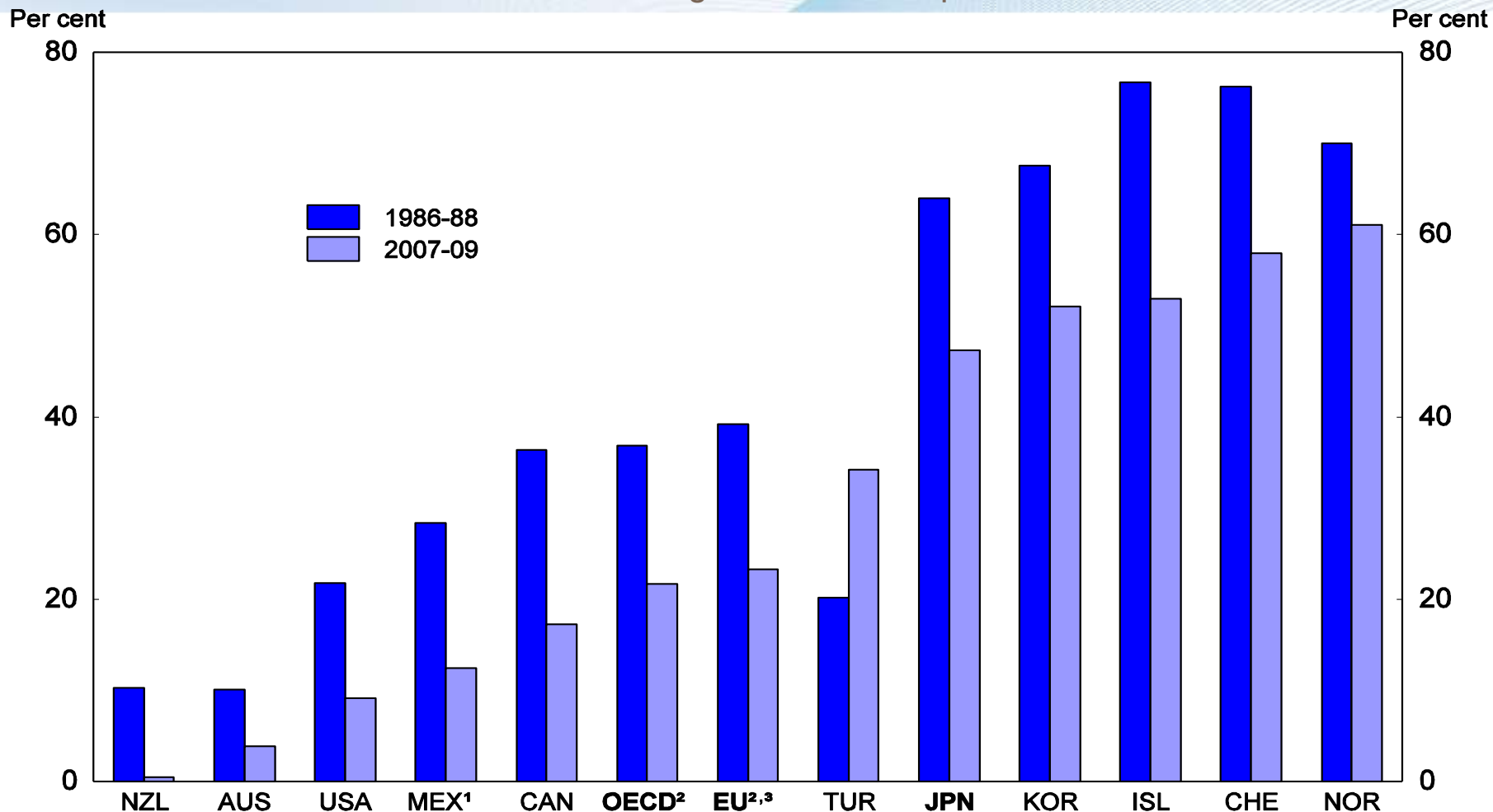
# Japan's Economic Partnership Agreements

Country	Status	Share of exports in 2009 in per cent		Share of imports in 2009 in per cent	
		Total	Agriculture	Total	Agriculture
Singapore	Took effect in 2002	3.6	1.4	1.1	0.6
Mexico	Took effect in 2005	1.2	0.1	0.5	1.2
Malaysia	Took effect in 2006	2.2	1.3	3.0	0.8
Chile	Took effect in 2007	0.2	0.1	1.0	5.5
Thailand	Took effect in 2007	3.8	3.7	2.9	4.5
Indonesia	Took effect in 2008	1.6	1.7	4.0	6.0
Brunei	Took effect in 2008	0.0	0.0	0.6	0.0
Philippines	Took effect in 2008	1.4	0.8	1.2	2.1
ASEAN <sup>1</sup>	Took effect in 2008	13.8	11.1	14.2	15.3
Switzerland	Took effect in 2009	1.1	0.5	1.1	0.6
Vietnam	Took effect in 2009	1.1	2.1	1.3	1.2
India	Took effect in 2011	1.1	0.8	0.7	1.4
<b>Sub-total</b>		<b>17.4</b>	<b>12.6</b>	<b>17.5</b>	<b>24.0</b>
Peru	Signed in 2011	0.1	0.1	0.3	1.5
Australia	Negotiations are underway	2.1	0.7	6.3	12.4
<b>Total</b>		<b>19.6</b>	<b>13.4</b>	<b>24.1</b>	<b>37.9</b>

1. Includes Cambodia, Laos and Myanmar, in addition to the other ASEAN countries shown individually.  
Source: OECD International Merchandise Trade Statistics Database.

# International comparison of Producer Support Estimate for agriculture

Per cent of gross farm receipts



1. For Mexico, 1986-88 is replaced by 1991-93.

2. Austria, Czech Republic, Finland, Hungary, Poland, the Slovak Republic and Sweden are included in the OECD total for both time periods and in the EU for 2007-09. The OECD total does not include the non-OECD EU member states.

3. EU12 for 1986-88 and EU27 for 2007-09.

Source: OECD (2010), Agricultural Policies in OECD Countries 2010: At a Glance.



# Korea's FTA strategy

Country	Status	Share of exports in 2009 in per cent		Share of imports in 2009 in per cent	
		Total	Agriculture	Total	Agriculture
Chile	Took effect in 2004	0.6	0.2	1.0	4.3
Singapore	Took effect in 2006	3.7	0.8	2.4	0.3
EFTA	Took effect in 2007	0.2	0.0	0.5	0.1
ASEAN	Took effect for trade in goods in 2007	11.3	12.9	10.5	12.6
United States	Negotiations were completed in 2007	10.4	7.9	9.0	19.0
India	Took effect in 2010	2.2	2.2	1.3	1.8
EU	Took effect in 2011	12.8	5.4	10.0	6.2
Peru	Took effect in 2011	0.2	0.1	0.3	2.1
<b>Sub-total</b>		<b>37.7</b>	<b>28.7</b>	<b>32.6</b>	<b>46.1</b>
Canada	Negotiations are underway	0.9	0.9	1.1	3.0
Mexico	Negotiations are underway	2.0	0.3	0.3	0.8
GCC <sup>1</sup>	Negotiations are underway	0.5	0.4	2.6	0.1
New Zealand	Negotiations are underway	0.2	1.1	0.3	1.9
Australia	Negotiations are underway	1.4	1.5	4.6	14.3
Columbia	Negotiations are underway	0.2	0.1	0.0	0.2
Turkey	Negotiations are underway	0.7	0.7	0.1	0.2
MERCOSUR	Joint government study completed in 2007	1.6	0.9	1.4	8.9
Israel	Joint government study completed in 2010	0.2	0.3	0.2	0.1
China	Joint study at government level is underway	23.9	22.2	16.8	9.1
Russia	Joint study at private level is underway	1.2	2.8	1.8	2.4
Vietnam	Joint study at private level is underway	2.0	3.4	0.7	1.6
Malaysia	Joint study at private level is underway	1.2	1.5	2.3	0.9
Indonesia	Joint study at private level is underway	1.7	2.6	2.9	6.4
SACU <sup>1</sup>	Joint study at private level is agreed	0.3	0.2	0.4	1.3
Mongolia	Joint study at private level is agreed	0.1	0.3	0.1	0.1
<b>Total</b>		<b>70.9</b>	<b>60.4</b>	<b>62.3</b>	<b>88.5</b>

1. Gulf Cooperation Council (GCC) includes Bahrain, Kuwait, Oman, Qatar, Saudi Arabia and the United Arab Emirates and Southern African Customs Union (SACU) includes Botswana, Lesotho, Namibia, South Africa and Swaziland.

Source: OECD International Merchandise Trade Statistics Database; MOFAT, Korea International Trade Association and Korea Agricultural Trade Information.

# CONCLUSION

1. Japan has fallen in the income rankings toward the middle of the OECD, reflecting a large gap in labour productivity.
2. Japan faces a number of difficult challenges, such as the high and rising level of public debt, rapid population ageing and rising income inequality.
3. Structural reforms, including measures to promote deeper integration in the East Asian region, are needed to address these problems and improve living standards.
4. At present, Japan is relatively isolated, with low levels of imports, inflows of foreign direct investment and foreign workers.
5. Achieving the New Growth Strategy's goal of doubling the inflow of people, goods and capital by 2020 by reducing barriers to trade and restrictions on foreign investment and the movement of people into Japan is a top priority.
6. Increased openness can be accomplished, in part, by establishing Economic Partnership Agreements with major trading partners and participating in the Trans-Pacific Partnership.
7. Such agreements should be comprehensive and include agriculture.

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