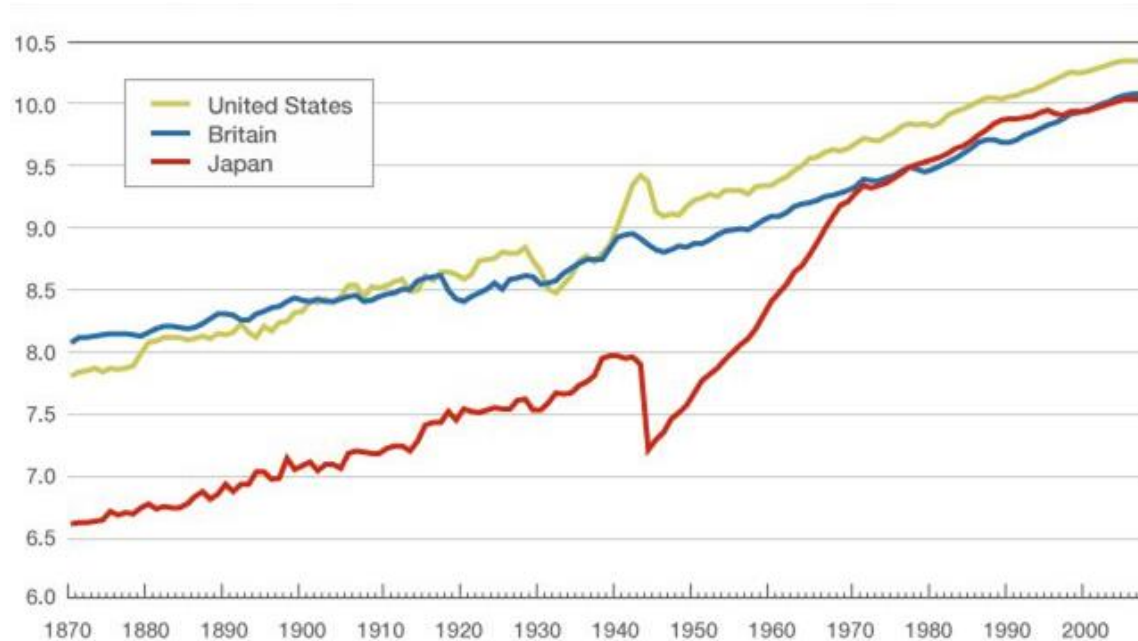




Poverty and Debt in Japan Post-World War II

By
Group #9

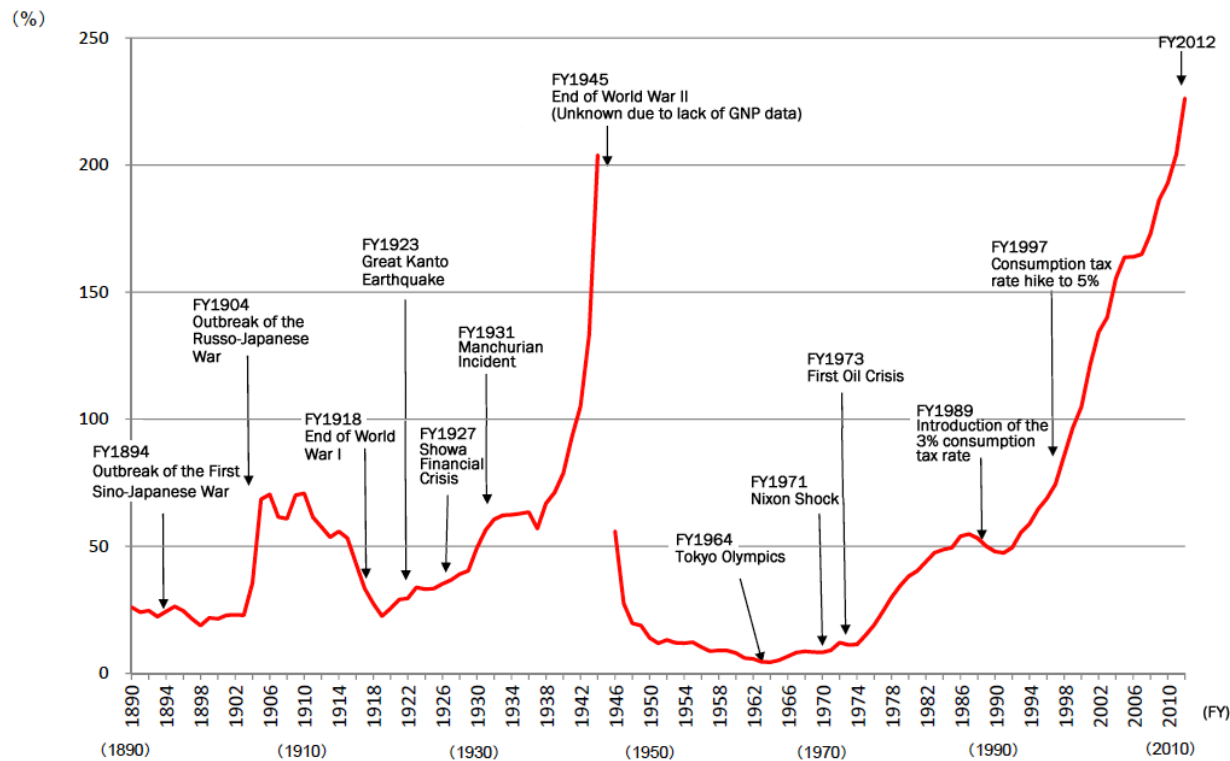
OVERVIEW



Source: The Maddison-Project
(<http://www.ggdc.net/maddison/maddison-project/home.htm>, 2013 version).

nippon.com

Growth in Real Per Capita GDP in Japan, the UK, and the US, 1870-2008.



Government Debt in Japan, 1890-2010.

IDENTIFICATION of KEY ISSUES

- Takahashi Korekiyo
 - Policy: to cut government spendings (military expenditures)
 - Assassinated by the weapons of military in 1936
- Full control of fiscal policy by the military
- Effective veto in the budgetary processes
 - Military had authority to create its own spending plan
- Struggle to sustain public debts





- International gold standard system
- Limiting military expenditures in order to maintain gold parity
- Departure of Japan from the gold standard in 1931
- No fiscal discipline in managing government's budget
- Power in vetoing budgetary processes
- Struggle to sustain public debts

GOVERNMENT STRATEGIES, POLICIES, and LEGISLATION

3 Dimensions ??

- 1) Political dimension
- 2) Economic terms
- 3) Social dimension

Political dimension

- Reform public security section 9
- Economic Democracy
- Anti Monopoly



However, in 1868 there was revolution to turn power of Emperor in Japan after removing the Tokugawa Shogunate.



At the time of the land reform, agriculture in Japan was done by hand, with the help of oxen 1958.



Bank of Japan
(financial institutions at the central bank)

Economic Terms

- Economic development
- Monetary policy (low interest rate)
- Land reform (Agriculture sector)
- Industries over agriculture (electronics, automobiles)

Social dimensions (Sustainable Development)

- Poverty reduction
- Social investment
- Reform Education
- The emperor shall be the symbol of state



- Japan's economic growth has risen significantly, during the period of the post-World War II to the end of the Cold War.
- The main key issue that Japan has been struggling with sustaining its public debt for such a long time is that the countries use the system in a wrong way.
- After the defeat of Japan in World war II, it caused a change in political, economic, and social dimension.

LESSON LEARNED and CONCLUSION

