

## COURSE DETAIL

### CONTEMPORARY JAPANESE ECONOMY

**Country**

Japan

**Host Institution**

Keio University

**Program(s)**

Keio University

**UCEAP Course Level**

Upper Division

**UCEAP Subject Area(s)**

Economics

**UCEAP Course Number**

136

**UCEAP Course Suffix**

BW

**UCEAP Official Title**

CONTEMPORARY JAPANESE ECONOMY

**UCEAP Transcript Title**

CONTEMP JAPAN ECON

**UCEAP Quarter Units**

3.00

**UCEAP Semester Units**

## Course Description

During 2022 last year, Japanese economy recovered from the Pandemic Shock. But almost simultaneously it faced many uncertainties. Global wave of inflation made Japanese Consumer Price Index rise by 4% compared to the previous year in December 2022, the highest pace for four decades. As many economists have seen long-lasting low inflation or even deflation in Japan as a signal of its stagnated economy, an emerging interesting question is what can result from this external price shock? After all, do firms and working people in Japan change their static mindset of many years and move towards surge of wages, ultimately leading to higher spending and hence, higher growth? On the other extreme, we cannot rule out the concerns of stagflation.

Higher inflation has triggered rapid interest rate hikes by central banks globally. While this makes economic slowdown inevitable in 2023, how much it will be is still unpredictable. Looking at China, its sudden loosening of corona restrictions from the end of 2022 is likely to mean higher growth for the world. At the same time though, faster demand expansion of China may offset the impact of anti-inflation measures by other countries and force their central banks to tighten even more. Also, no one is sure which way yen's exchange rate goes.

These are just examples of the uncertainties for Japanese economy at the time of this writing (January 2023). However, underlying structural problems for Japan do not go away, either. Japanese population leads the world in terms of aging while its size continues to shrink. This poses strains on social security such as pension and healthcare. Geopolitical tension does not seem to subside as well, continuously making firms to rethink and restructure their cross-border supply chains.

Many industries are under pressure for transformation. Digital innovations such as AI are the source of business creation by many startups, while they disrupt established business models everywhere. Recently the shockwave is reaching finance and automobile industries, bastion of the modern economy as we know it. In addition, environmental concerns require the whole economy to shift towards carbon-free. While this generates many business

chances, it can become another source of industrial disruption. Observations mentioned above force us to ask a lot of questions for Japanese economy. What is the impact of monetary policy under a new governor of BOJ? Do we have reliable economic-fiscal scenario to deal with fiscal burden increased by the massive spending to respond to the pandemic as well as the need to sustain social security? What policies can improve the prospect of economic growth for Japan? What are reforms most urgently needed? Are they labor market reforms, immigration reforms, or strengthening assistance for families to have more kids? How can Japanese private sector grow more vigorously – more risk-taking by corporations or more fast-growing startups, for example? Can we upgrade Japanese manufacturing sector? Is export-oriented agriculture sector possible? These are urgent and crucial issues of our day. Drawing on lecturer's experiences at government, international organization as well as in business, the course tries to deepen our understanding of today's economic problems with the help of economics and through interactive discussion based on data.

**Language(s) of Instruction**

English

**Host Institution Course Number**

N/A

**Host Institution Course Title**

CONTEMPORARY JAPANESE ECONOMY

**Host Institution Campus**

Keio University

**Host Institution Faculty****Host Institution Degree****Host Institution Department**

Professional Career Programme

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