ESRI
Abenomics
and
Japanese Economy

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Hiroshi Yoshikawa
University of Tokyo
Monetary Policy and Deflation
Japanese Government Bond Interest Rate
(10 years, daily)

Source: MOF
Five-year Cumulative Changes

Source: Bank of Japan
Total Assets of Central Banks

(per Nominal GDP, %)

- Bank of Japan
- ECB
- Fed

Source: BoJ, ECB, Fed
Nominal Wages of Japan, US, and EURO Area

Source: OECD "Economic Outlook" 2012
Who are Confident?
Increase of Consumption by Age (Jan-Mar, 2013)

Exchange Rates
Relative Contributions of Exports and Consumption to economic Growth

Source: Cabinet Office
Export and Industrial Production

Source: METI, MOF
JPY/USD Rate (2001-May 2013, Monthly)

Source: PACIFIC Exchange Rate Service
Yen Effective Real Exchange Rate (1964-2012)

Year Averages 2010=100

Source: BIS (Year 2012 is the average of 8 months)
Fiscal Deficits
Factor Analysis of Increase in Government Bonds (excluding Reconstruction Bonds) Outstanding with Reference to FY1990

Increase in Government Bonds Outstanding from FY1990 to FY2013: around ¥ 571 trillion

Contribution of Expenditures: around ¥ 312 trillion

Effect of receipt decline: around ¥ 147 trillion

Impact from balance gap in FY1990: around ¥ 65 trillion

Other factors (long-term debt transferred from Japan National Railway, etc.): around ¥ 47 trillion


(Note 2) Reconstruction Bonds, which issued or are going to be issued to secure financial resources of measures implemented from FY2011 to FY2015 for reconstruction from the Great East Japan Earthquake, is excluded from Government Bonds Outstanding. (12.2 trillion yen at the End of FY2013.) In addition, expenses related the issuance of reconstruction bonds for FY2011 (7.6 trillion yen) is excluded from the expenditure for the same fiscal year.

(Note 3) The amount of the legal rate of Tax Revenues which is transferred to local governments as Local Allocation Tax Grants is excluded from both the expenditures and the revenues because increase and decrease of that has no influence on increase of Government Bonds outstanding. On the other hand, the amount of Local Allocation Tax Grants, etc. other than the amount of the legal rate of Tax Revenues in Local Allocation Tax Grants, etc. (e.g. the amount for covering deficit of Local Governments) counts for the element of increase of the expenditure.
Innovations
Not Demography
The Ultimate Driving Force of Economic Growth
Population and GDP 1870-1994: Japan

Japan’s Population and Economic Growth (1870–1994, 1913=100)
Japan: Net Lending / Net Borrowing by Sectors

(Source) Cabinet Office “National Accounts”
(Note) Data from FY2001 and after are based on 2005 benchmark, while data up to FY2000 on 2000 benchmark.