

Refuelling the economy of Japan

Economy of Japan

Having a burden of around 8.5 trillion dollars can actually have a lot of implications for the Japanese government. The economy of Japan thrives for services and manufacturing and the service sector can be more competitive in the long run. Here is some food for thought for the Japanese economy. Here are a few points-

1. Agriculture as a percentage of GDP is 1.4%, needs to have food value programs that necessitate the need of having agriculture and food security as one of the prime concern of Japan
2. Sovereign Debt around 8.53 Trillion USD, which has created a lot of pending issues as sovereign debts and hence an a detriment to the Japanese economy
3. Service to GDP contribution around 60% to the economy, which needs to be more competitive in the longer run
4. Low inflation around 1% is a concern, as this would allow savings to be under utilized
5. Negative interest rates in the Bank of Japan would allow inflation instead of deflation which might be of great consequence once Japan faces a low deflation curve in teh economy
6. Trans-Pacific Deal with North America, especially with Canada and the USA will target fiscal maths
7. Exports of goods and services to countries which are similar to Japan can be worked out
8. Inflation Drive entails finding out the right inflation target for Japan vis-a-vis spendings
9. Exporting and implementing Japanese Assembly and Cars, or considering to shift them abroad for cost and effective competition can be worked out
10. Considering exporting service men to other countries, especially those who are master crafters
11. Work with India, China and Africa for rice and sea food exports and imports, where India and China can export good quality of rice and wheat to Asia
12. Work with EU for food versus cars in the niche segment , where certain foods for car program can be initiated with Japan
13. Food, rice and vegetables in the indoor or in-house or terrace farming, will allow a good note for the growing cultivation
14. Diversification of services in Japan can be a great factor for in-house improvement
15. Extension of banks to other countries for investments and good returns on bonds and loans can drive growth assets
16. Rapidly shrinking women force at around 40% to 30% can be an impediment, where Abe can actually inspire the women force to work hard
17. Having primary and middle level education free can be another concept that Japan can work out

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18. Considering the devaluation of Yen by a certain amount
19. Food Security under WTO, where Food storage programs can actually work
20. Greater Tourism Boost with a target of 12-15 million visitors per annum is a good target for the tourism in Japan

Shinzo Abe has actually devised a program that can help Japan in the long run. Under this, Abenomics 2.0 drives the vision of growth for Japan. There are certain criteria that can work under Abenomics 2.0.

Under Abenomics 2.0, some of the points that can cover Japan are-

1. Printing an additional currency between 6.0 Trillion Japanese Yen and 7.0 Trillion Japanese Yen
2. To stimulate demand and composition to drive a short-term growth, while achieving surplus in the long term
3. Make service and manufacturing industry at a competitive advantage by helping share technology and manufacturing secrets
4. Corporate governance with government reforms
5. Easing restrictions for hiring foreign workers in SEZs
6. Work based on wage and wage links
7. Liberating the health sector
8. Helping domestic and foreign entrepreneurs
9. Generate inflation at around 1-2%
10. Additional investments in phases that will help investors to get maximum returns

Given the fact that Japan is more industrialized, an unemployment rate of around 2.4% is a good way of start. The world's third largest economy will face an uphill task to arrest its sovereign debt, and consider inflation as a target. Ending with the hope that Japan can continue the path of glory in the coming years as well.

Dedicated to the land of the rising Sun!