

Relations between blacks and whites

[Economics](#), [Trade](#)



Japan's economy can be traced back to World War II. After this period, many structural changes helped transform the Japanese economy. This was necessary because Japan had undergone through war that saw its economy near collapse. These changes in policies were through interaction with America, international market, and social mobilization (Ohno, 2006). At the time of war, there was a rapid growth in Japan's economy. This period saw a rise of manufacturing industries due to materials necessity for the war. Such industries included the automobile industry.

Once the war was over, most of the technologies and companies were converted to peaceful economic development (Ohno, 2006). This also saw expansion of private companies. There was also a desire to catch up with the west; new technology and management. The changing US policies were an instrumental success of Japan's economy. This is because Japan was given permission to export to the US and at the same time protecting its domestic market (Ohno, 2006). The venture into export economy also leaped enormously from international market of low tariffs; low prices of oil and materials needed for industrial expansion (Ohno, 2006).

Another significant trend to the expansion of the economy was the welfare society in Japan instead of the welfare state. This helped Japan to direct most of its resources that would have been spent on welfare to industrial expansion (Ohno, 2006). After the 1950s, Japan's government engaged in massive financing of the economy. This was through collaboration between the state and private sector. This revamped the economy and the gross national product expanded more than 10 percent annual with limited

downturns (Ohno, 2006). There was also development of export economy; investment in technology.

The export economy has remained, until now, where over 70 percent of manufactured goods are exported (Ohno, 2006). The other factor that helped was the provision of loans for business by the private banks and removal of monopoly in various sectors of the economy. Additionally, there was an increasing role of trade unions, part time workers, and small companies. There was a mutual understanding between industries and workers. Most of the workers on the short-term basis worked hard to get long-term employment. This helped in post war Japan takeoff in terms of economics (Ohno, 2006).

The transition from 1970 to 1980 saw Japan catch up with the other industrial economies of the world. However, this trend was not to remain due to unchanging policies. There was a lack of modern investment opportunities and poor management (Sakisaka & Gaimusho, 2007). This led to business firms, real estate and financial institutions falling prey to speculation. This finally led to the ‘bubble’ economy (Ohno, 2006). The effects were to be felt in the 1990s. Japan continues to struggle to get out of these effects until now. This will only be possible through sweeping reforms. This paper seeks to focus on Japan’s economy.

Japanese Geography, Language, and Population Japan is a country of East Asia. It is made up of thousands of islands. However, there are crucial islands. They include Honshu, Hokkaido, Kyushu, and Shiloku; these are the largest of those islands. Japan’s neighbors are Korea, Russia, and China. It

has a size equal to Germany or California (Japan Guide, 2013). The language of most of the population is Japanese. However, there has been infiltration of foreign languages. The population is estimated to be 125 million (Japan Guide, 2013). In this estimate, two million are foreign residents. Most of the foreigners are the Korean.

Japan is also vulnerable to earthquakes and volcanoes. This is because this country is mostly mountainous. Japan also has variations in climate, due to different islands that make up the country. Economy Japan's economy ranks high in the world. In fact, Japan ranks second among the most developed nations. Japan GDP has been on the rise since 2004 (Trading Economics, 2012). However, there was a little stagnation in 2005 and 2006. Moreover, there was a reduction in GDP during 2007 to 2008. This was due to the challenges that faced the economy during this time. The annual growth rate of Japan has averaged 2.1 percent for the last three decades (Trading Economics, 2012). The economy of Japan is majorly dominated by technological advancement. This has enabled Japan to enhance any materials received from other countries. This is because Japan is not endowed with minerals and other forms of raw materials. Most of Japan GDP is dominated by services (Trading Economics, 2012). These services include wholesale and retail, as well as the real estate. The other driving force of the economy is the manufacturing sector. This accounts for nearly 22 percent of the GDP (Trading Economics, 2012).

Moreover, constructions industry contributes heavily to the growth of the economy. This accounts for over 5 percent of the country GDP (Trading

Economics, 2012). The rate of growth is expected to increase because of changing fiscal policies. Japan has been struggling with inflation for a long time. However, inflation is expected to slow down. For example, the central bank has introduced an inflation target of 2 percent (Einhorn, 2013). Various initiatives have been taken to curb inflation are already in place. The current one has been buying Yen to issue bonds. This will help by weakening the Yen and reviving inflation rate.

However, Japan trade deficits have declined significantly. It stands at 362. 4 billion yen that is half of what was reported at the beginning of the year (Einhorn, 2013). However, in Japan there has been an increased in the number of unemployed individuals. For example, in March the unemployment rate was 4. 10 percent as compared to the onset of the year when it stood at 4. 3 (Trading Economics, 2012). For the last six decades, unemployment rate in Japan has averaged 2. 68 percent. However, it was at its highest level in July of 2009 at 5. 60 percent (Trading Economics, 2012).

Japanese Openness, Currency, Current Exchange Rate, Primary Exports, Imports, Current Account Balance, Major Trading Partners, and Agreements
The rate of openness of a country influences its economy in myriad ways. There is a role of importance in this trend to economic growth. The openness is reflected in terms of international knowledge streams and international movement of people, resources, and technology (Research Institute of Economy, Trade and Industry, 2011). Openness can also lead to failure of some key sector of the economy. This is due to unemployment and failure to compete by some companies on a global scale.

Japan is poor as compared to other country of its caliber in terms of openness. This is evident in terms of comparison of countries export and imports of good and services compared to GDP (Research Institute of Economy, Trade and Industry, 2011). The country also shows less inward investment. However, in Japan there exists a higher exposure to international competition. For example, over 50 percent of Japanese automobile makers occur outside Japan (Research Institute of Economy, Trade and Industry, 2011). However, an exception occurs in the food, beverage, and tobacco sector.

The sectors that deal with agriculture are cautioned by the government international competition. In Japan, there is also exposure to international trade. In fact, Japan intra-industry business comprises half of all trade (Research Institute of Economy, Trade and Industry, 2011). In addition, Japan appears as one of the country hard to make use of foreign labor. The Japanese currency is yen. The US dollar to Japanese yen exchange rate currently is at 99. 25. Japan has largely focused on export due to its processing nature. Japan receives raw materials from different countries and then adds value before exporting.

The main export of Japan includes transportation equipments, motor vehicles, electrical machinery, and chemicals (Economy and Trade Fact Sheet, n. d.). Most of Japan's imports are raw materials. They include oil, foodstuff, and wood (Economy and Trade Fact Sheet, n. d.). The import/export stability has helped Japan have a significant trade partners. These partners include United States, China, Germany, Indonesia, South

Korea, and the United Arab Emirates (Economy Watch, 2010). The country has also been the main export market for over ten trading nations worldwide (Economy Watch, 2010).

The financial crisis of 2008 affected the international trade of the country. The export volume declined to \$516.3 billion in 2009 as compared to over 700 billion the previous year (Economy Watch, 2010). In 2010, the total value of export was over 750 billion US dollars (Economy Watch, 2010). Japan is also a member of world commerce and trade agreements. Currently, Japan is a member of many international organizations. They include APEC, WTO, OECD, the G-8, and the G-20 (Economy Watch, 2010). Japan is also advancing towards Economic Partnership Agreement instead of Free Trade Agreements. Japanese Trade Policy and Trade Barriers in Various Periods

Japan's trade policies and barriers have changed depending on the status of the economy in different periods of its history. These policies have changed depending on the status of the economy. In 19th century, the country was committed to industrializing as well as carrying out military expansion. Consequently, the government promoted imports of the manufactured and capital goods that were not available in Japan (Sato, 1999). On the other hand, in order to promote export, the government introduced policies that would ensure there was an improvement in quality, production, and standardization of potential or existing exports (Rapp, 1978).

Another policy was the introduction of export quality checks. This took place after the end of World War II. There was screening of firms export technology imports and quality control were controlled and enhanced in the country

(Rapp, 1978). There was also institutionalization of export cartel; to reduce competition that could be detrimental to individual firms and economy (Rapp, 1978). This was prominent during the 1950s and 1960s. The government have supported research and development in computers to make Japanese producers competitive worldwide. There was lowering on tariffs on raw materials.

This increased the effective protection to value added and promoted manufacturing (Rapp, 1978). When the value of yen decreased in the 1930, some companies like Ford were forced to close. There was also checking on the import of assembled motor vehicles. Further policies were implemented after the war. These policies included quotas on import taking account of key raw materials such as coal (Sato, 1999). There were also protective tariffs on manufacturers and raw materials were outsourced toll free. In order to secure foreign exchange, the government regulated the import and amount paid on the required technology (Rapp, 1978).

The government also encouraged exports through exceptional tax and credit incentives. Successes and Challenges Faced By Japan in International Trade
A country involvement in international trade has its advantages and challenges. The liberal international economic order was beneficial to Japan. This was due to reduction of barrier. Japan exploited this growth and contributed to revenue growth and rising living standards in the country (Noland, 2000). There was a revival of key infrastructure through these programs. However, the country continues to face challenges in international trade.

One of the challenges is economic domination by the United States.

Secondly, there is growing suspicion from other Asian countries on activities of Japan. The political system in the country is also a challenge to this trade.

There is also a replacement of Japan trading activities by emerging economy in East Asia such as China (Cooper, 2013). Trade and Investment

Liberalization Should Be Pursued By Japan In Order To Achieve Economic

Growth Japan currently is experiencing economic stagnation. This can only be rescued by trade liberalization.

The first thing the country should do is to open its domestic market to foreign companies. This will help in areas such as agricultural revival. The other action should be Internationalization of science and innovation. This will help in submission of external earning, enhance the local currency, and will lead to improved direct investment. There should also be openness to labor; highly skilled foreign workers. This will help in improving materials for export, improved trade, and earnings. Conclusion It is clear that Japan's economics has gone through a period of transformation.

Especially before the 21st century. Initially, Japan experienced increased economic growth. However, at the end of the 20th century, Japan experienced an economic downturn. Currently, Japan is on the road to recovery through sweeping reforms it has been undertaking. There has been various policies and tariffs. In addition, there has also been increased revenue through adding value to manufactured goods. This has also helped Japan to be one of the main export/import partners in the world. Japan has

benefited from global trade. On the other hand, the international trade has affected Japan.