



HISTORY OF JAPANESE ECONOMIC DEVELOPMENT

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Abstract: The article discusses the reasons for Japan's economic development and ways to effectively use its resources. From the article you will learn some information about the history of Japan's economic development.

Key words: Japanese economic miracle, Sovietization, inflation.

Japan is one of the top ten countries in the world by population, and one of the five largest economies in the world by economy. Life expectancy in the country is the highest in the world (76 years for men and 82 years for women).

Japan was able to become an economically formed country due to a competent policy. Some time after the war in 1945, devastation reigned in the land of the rising sun. Despite all this, since 1950, the country began to move forward with all its might in giant strides and develop. Mainly, the state administration placed emphasis on education and high-tech processes.

Residents of Japan began to buy up progressive developments from all over the world and introduce them into personal production. Along with this, the development of qualified employees was underway. The "Japanese economic miracle" would have been impossible without highly educated specialists capable of working with innovative developments using advanced methods. In 1950, the country's share of industry in the entire capitalist sphere accounted for only about two percent. And twenty years later - sixteen percent. By 1968, Japan was already in third place (after the USA and the USSR) in terms of production volume. By 1980, the state had pushed aside the Soviet Union.

The "Japanese economic miracle" became achievable due to automation of production. Robots and computer technology were introduced everywhere. All this allowed skilled workers to be removed from hard work and directed to intellectual activity. By the 90s, Japan convincingly took second place in the world in terms of production volumes. The state also stood first in terms of per capita gross product. The "Japanese economic miracle" is a very low level of unemployment and inflation in the world.

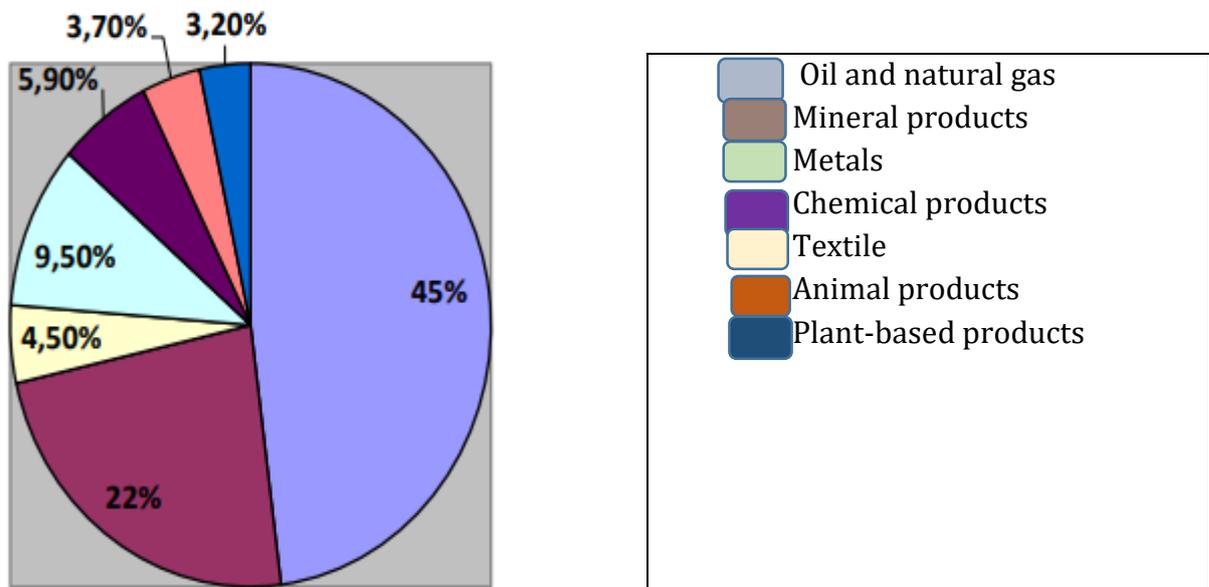
In the early 2000s, the government began implementing specific projects in a number of areas. Mostly significant reforms were carried out in the area of government regulation, which subsequently had great significance for the country. In this regard, one of the most important tasks was to reduce the prices of regulation of economic work, which united and restrained the development of state companies and banks. Liberal reforms were undertaken, focused on the development and use of market elements; privatization of state firms in the field of highway construction, postal services, savings and insurance services, state higher education institutions, banks was carried out. The second relevant object of reform was the financial sector. These changes were termed "Big Bang" and provided for deregulation of the

financial market. They included the cancellation of localizations on the activity of financial institutions (banks, insurance companies), which acquired the right to work in any financial transactions. Liberalization of procedures with foreign currency for legal entities and individuals was carried out. It was allowed to transfer capital in yen to any monetary unit, the circulation of foreign currency within the country and its transfer abroad were not limited. The number of problems in transactions on the unification of companies decreased, the most liberal attitude to the activities of foreign companies in common business was organized, the transition to the international system of accounting was carried out. In terms of the values of simultaneous liberalization of financial measures, this reform does not have such a fact in any other country in the world. Another direction of the transformations were changes in the system of entrepreneurial relations, which for a long time were based not on market principles, but on preferences for long-term contacts, personal connections, bilateral trust and respect in the name of preserving stability. At the same time, in situations of depression, aggravation of competition with the arrival of foreign capital in Japan and the expansion of Japanese firms to foreign markets, collective groups had to completely change the business system, make it more open, liberal, forming on market incentives and mechanisms. True, the procedure for exiting stagnation was formed slowly, the reforms showed a positive power to improve the financial system. This was expressed in the increase in the volume of foreign investment in the form of direct capital investments and the acquisition of securities of Japanese companies and banks. A venture capital market was created, which contributed to the development of venture business in Japan. Overcoming stagnation was ensured mainly by the efforts of the corporate sector of the economy, which paid off a significant share of its debts and had the most suitable conditions for growth. The need for Japanese products on the world market caused the inflow of funds - profits increased, which allowed regulating investments to replace industrial capacities and modernize them. The ongoing reorganizations are designed for the long term and are aimed at forming a new effective institutional structure capable of creating conditions for economic recovery and turning it into a more elastic and open system appropriate to modern realities. In 2005-2010. The Japanese economy is developing along the path of the so-called "Sovietization", in which the non-production sphere is acquiring increasing importance in the structure of social creation. At the same time, the share of the manufacturing industry and construction is tending to decrease. The main branches of the economy are becoming information technology and communications, electronic production. Among production technologies, the leading role will be played by microelectronics, software, etc. In the spheres of the manufacturing industry of Japan, the process of diversification of traditional areas of activity is developing dynamically. Petrochemical concerns are paying special attention to pharmaceuticals, textile companies - to the development of biotechnology, the production of building materials, materials for electronics. The Japanese economy is currently in a kind of dead end. As has already been noted, it has a large margin of safety and a significant level of economic development. With all this, GDP growth is almost absent [1]. The share of the Japanese economy in the world is shrinking. Products manufactured in Japan are experiencing increasing competition from Europe, the USA and especially China. Products are very expensive due to the high salaries of hired workers. In order to reduce the initial cost of manufactured products, the government depreciates the national currency. A fairly large amount of money is poured into the concept. The yen rate is unnaturally falling. But this does not bring the predicted results in the long

term. In the land of the rising sun, deflationary processes are very intense (there is no inflation), and during periods of crisis, they intensify even more. Commodity saturation is observed. As a result, citizens prefer to save permanently rising currency. This negatively affects the consumer activity of citizens. In the period from 2013 to 2015, a regression was recorded in the rise of the Japanese economy. One of the sources of the decline in the country's economy was the government's expansion of the excise tax on added value from 5% to 8 Network scientific % and this circumstance dealt a blow to private use and economic growth.

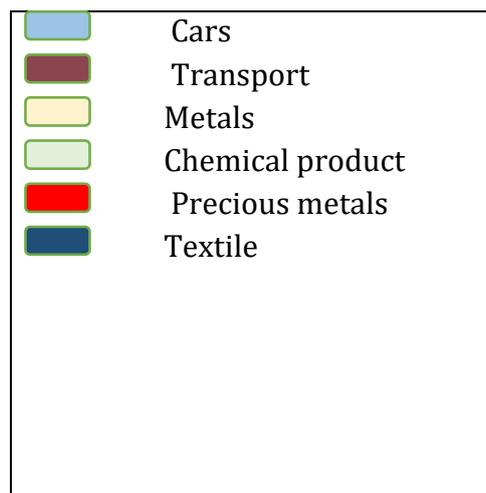
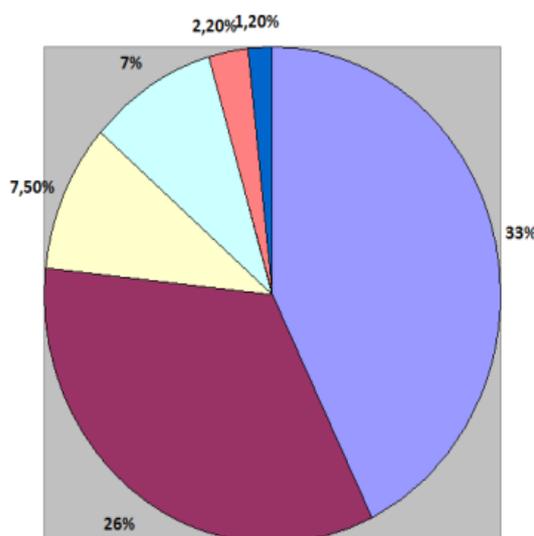
Japan is a fundamental country that has faced the same problems that the entire developed world (the USA and the European Union) is currently facing. And Western countries are following the same path as the Japanese Central Bank - devaluing national currencies, saturating the economy with money. It is expected that from 2016 to 2020 there will be a slight rise in the Japanese economy. The International Monetary Fund considers the presence of a low unemployment rate, investment incentives, and a 0% interest rate to be the reasons for the expected economic growth . In addition, another circumstance that could lead to economic growth is the implementation of a new economic policy by the government, which includes measures to soften fiscal and monetary policy. During 2016, a positive trade balance was observed, but only in certain months it had negative values. It was provoked by the fact that the import of goods and raw materials is decreasing faster than the export of Japanese-made products. The country ranks fourth in exports of goods and services and is sixth in their imports among other countries.

The dominant items of Japanese import are raw materials, oil and oil products, and liquefied natural gas.



Import diagram

Japan's main export item is various machines and various components for them .



Export chart

Conclusion

In conclusion, it can be noted that Japan can rightfully be called a highly developed post-industrial country with a competitive economy. In a relatively difficult economic situation, the country eventually spends those reserves that it managed to stock up on in the most favorable times. The scientific and technical opportunity, which provides the potential for new breakthroughs and inventions, close mutually beneficial assistance between the country's leadership and its producers, and the maximum economic will given to producers, will undoubtedly help to promote the development of the economy. Among other things, in order to maintain the country's competitiveness and reduce the national debt, the Japanese authorities, in all likelihood, must take a number of measures that are associated with reducing imports of large shares of raw materials and energy resources from abroad, and replace them with the production of renewable energy sources on their territory.

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