

# Strategies for Japan's Sustainable Development

**Taro Kono**

Member of the Diet, House of Representatives

Liberal Democratic Party

Tokyo, Japan



EUROPEAN BUSINESS COUNCIL IN JAPAN

THE EUROPEAN (EU) CHAMBER OF COMMERCE IN JAPAN

# Population

- The Biggest problem for the Sustainable Development of Japan is unsustainability of its population.

<b>2010</b>	<b>128 million</b>	
<b>2030</b>	<b>117 million</b>	
<b>2048</b>	<b>99 million</b>	
<b>2060</b>	<b>87 million</b>	<b>-41m (32.3%)</b>
<b>2100</b>	<b>50 million</b>	

# 41 million in 50 years means..

Every year the City of

**San Francisco with population 0.81 million**

**Marseille 0.85 m**

is disappearing in Japan

# Population

- **Population of Productive Age (15y.o. -64y.o.)**

<b>2010</b>	<b>82 million</b>
<b>2060</b>	<b>44 million (-38m 45.9%)</b>
  
- **Population of Senior Age (65y.o.- )**

<b>2010</b>	<b>29 million</b>
<b>2060</b>	<b>35 million (+5m 17.5%)</b>

# Population

- **Senior Age/Productive Age Rate**

<b>1970</b>	<b>10.2%</b>	<b>1 to 10</b>
<b>1994</b>	<b>20.2%</b>	<b>1 to 5</b>
<b>2008</b>	<b>33.6%</b>	<b>1 to 3</b>
<b>2023</b>	<b>50.2%</b>	<b>1 to 2</b>
<b>2040</b>	<b>67.2%</b>	<b>1 to 1.5</b>
<b>2072</b>	<b>85.7%</b>	<b>Practically 1 to 1</b>

# Life Expectancy

- **2010**      **Male**      **79.64 Years Old**  
                 **Female**      **86.39 Years Old**
  
- **2060**      **Male**      **84.19 Years Old**  
                 **Female**      **90.93 Years Old**

# Future Labor Market in Japan

Changes in Labor Market from 2010 to 2030

## Labor Demand

Nursing care/Welfare +1 million

Manufacturing -3 million

## Labor Supply

Women Empowerment +1.5 million

Total Labor Supply -10 million

Total Labor Shortage 6.5 million

# How can we make up 6.5 million?

- **Increase in Birth Rate?**

**NOT Likely**

- **1.39 in 2010**

- **1.33 in 2024**

- **Stable at 1.35 in the long run?**

- **Changes in social system**



# How can we make up 6.5 million?

- **Immigration:**

## Can Japan accept 6.5 million?

### –What makes Japan Japan?

- NOT the Blood of the Yamato Tribe
- The Imperial System and the Japanese Language

### –No more loop holes i.e. *Nikkeijin* & Trainees

- Work permit based on the Japanese language capability

# Agriculture

- Self-sustainability Rate Less than 40%
- Competitiveness of Rice Production

# Lies about Calorie-based Self-Sustainability

$$\text{Calorie-based Self-Sustainability} = \frac{\text{(Domestic Food Production)}}{\text{(Domestic Food Production)+(Import)-(Export)}}$$

# Lies about Calorie-based Self-Sustainability

(Domestic Food Production)+(Import)-(Export)  
=2600Kcal/day ▪ person

Average calorie consumption in reality: 1900Kcal

1000Kcal

1900Kcal

Calorie-based self-sustainability rate is already 53%!

# Rice Production

- Less people and getting older, eating less rice
- 2.4 million hectares of Rice Field in Japan
- 1.6 million ha is necessary for enough rice for domestic consumption
- 0.8 million ha is excess

Less and less rice field will be necessary in future

# Wasted Land

- **Gen. MacArthur liberated 1.94 million hectares of rice field from land owners**
- **Since then, 2.5 million hectares of rice field have been left ruined**

# Unit Productivity

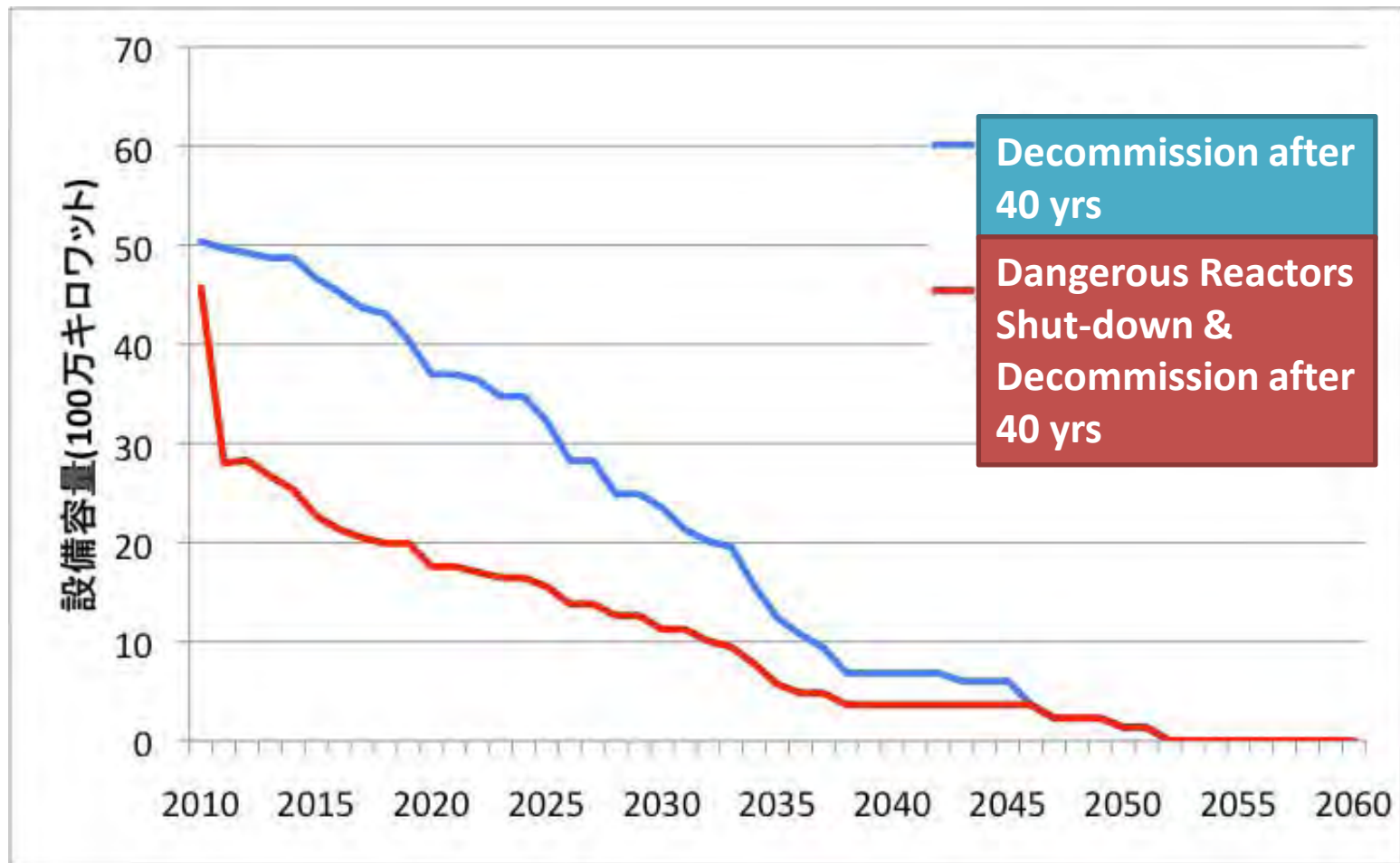
- **To stabilize the rice price, the farmers have faced strict production limit**
- **If unit productivity increases, the farmers will be forced to cultivate less land**
- **Unit productivity of rice farmers in Japan has been lagging**

# Future of Rice Production in Japan

- Shrinking domestic market
- Exporting to China as high quality & safe rice
- Increase in unit production and cultivating more land to increase volume and sales
- Ministry of Agriculture & Fishery spends more budget on publicity campaign on low self-sustainability than export promotion



# Future of Nuclear Reactors in Japan



# Japan's Energy Future

