Background

• Long Stagnation in the JP and EU economies
  – Excess Debt Problems
  – Deflation with Zero Interest rate Policy

• Discussions
  – Macroeconomic Policy
  – Structural Reform Policy

• Aggravating Factors
  – Aging Society
  – State Debt Problems

• Japanization of EU economy?
Outline of the papers

• Macroeconomic Policy
  – Dr. Yoshino: the recent inflation in Japan stemmed from higher energy prices as a result of the depreciation of the Japanese Yen
  – Dr. Jimeno: secular stagnation hypothesis
    → Zero Lower Bound of policy interest rates

• Both show the big effect of the aging factor
Questions

• To Dr. Yoshino
  – Is the first arrow of Abenomics (Kurodanomics) unsuccessful?
  – The second arrow=fiscal consolidation?
  – Subsidies to farmers are also important
  – In what scale the hometown investment trust fund can stimulate Japanese economy?

• To Dr. Jimeno
  – Short-term and/or Long-term effect of aging?
  – What will help to escape from the long stagnation/zero lower bound?
CPI  core CPI

Statistics Office/ Ministry of General Affairs

The Oil Information Center