Preface

Will economics prevent the crises occurring throughout the domestic and world economies? Looking back at the development of economic science, we have never been able to reduce the intrinsic instability of economic societies. However, we can analyze the fundamental cause of crises and suggest countermeasures for relaxing or solving the cause. It will be impossible in most cases to prevent the negative aspects of capitalism. We have not always prepared effectively for the downside of every economic problem, particularly new types of serious economic phenomena. Unexpected problems have appeared one after another. In addition, there are wars and tyranny, which destroy economic performance in the world.

We trust in the development of economic science to remedy the maladies and to solve serious economic problems and contribute to enhancing the satisfaction level of humankind. Viewing some lessons from the Japanese experience in this connection, we have learned the following:

First, the result of rapid economic growth itself did not always mean the growth of economic welfare. This was caused by the limitation of GNP (applied to GDP) concept, leading to the development of NNW concept and Happiness Research. In these four decades, there has been much literature regarding this question. This is an example of the development of economic science to examine the human need on a higher level.

Second, as a result of the bubble economy and its consequences, people experienced catastrophic burdens. Human wisdom could not avoid this phenomenon. Economic science could not forecast it, but we will become clever by learning from the bubble experience. We hope economics will help us to find some ingenuity to relax or weaken the causes of economic instability.

Finally, in the concluding chapter, I propose a basic design toward achieving a high satisfaction level society, that is, the quality of life in the mature society which we should seek.

I hope this book will interest specialists, students, and any reader who wishes to understand economic science and the Japanese experience in this context.

This book is based on my lectures entitled, “Introduction to the Japanese Economy” (spring) and “Bright and Gloomy Sides of the Postwar Japanese Economy” (fall) at Momoyama Gakuin (St. Andrew’s) University. These lectures are conducted entirely in English as semester courses, particularly for overseas
exchange students, as well as Japanese students. The lecture has started from the 2004 fall semester. The lecture in the spring semester is for the undergraduates and that in fall semester for both the undergraduates and the postgraduates. I have tried to make the lecture more comprehensive by using charts and tables as much as possible. However, I should like to leave it up to the reader’s judgment as to whether or not my attempt is successful.

Osaka, Japan

Mitsuhiko Iyoda
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