

ANALYSIS OF ECONOMIC DEVELOPMENT STRATEGY FOR JAPAN

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By size of gross national product, value of industrial production and a set of other macroeconomic indicators, Japan is one of the most developed economies of the world. Features of economic development of this country, its achievements in advanced industries of scientific-and-technological advance, ability to quickly respond to changing conditions of the world market attract to it an attention of the whole world. Now in Japan is coming to an end a structural reform aimed, in particular, at the liberalization of the country's economy and increasing a degree of openness of its internal market. Since the degree of integration of Ukraine into the world economy is growing, a study of Japanese experience of economic development of Japan is important for the formation of economic strategy for our country.

The USA made a great impact on the development of post-war economy of Japan. A concept of regulation of Japanese economy was developed by American financier Joseph Dodge, who focused attention on taxation system. The essence of this concept lay in that the taxes should help to overcome inflation. Thus the most important role in the economic recovery of Japan played "direct taxes" received directly from income and property of taxpayers. Collection of taxes has led to the implementation of a deficit-free

state budget when revenues began significantly exceed expenditures, which helped Japan to get out of the lingering financial crisis and saved yen from inflation.

At that time economists of sovereign Japan engaged in controversy on choosing a way of further development. Opinions are divided: ones were for external-economic direction, other insisted on domestic market development.

Adherents of external-economic benchmark won the discussion. And as the modern economic picture of the world shows, the Japanese came up trumps. The main cause of onrush of Japanese economy is the development of new technologies by science. Considering that Japan after the World War II had no right for military developments, there was made a decision to hold a course for the science development. In that period Japanese scientists have started a long way of openings and latest developments, which were promoted by heavy buying technologies and patents in foreign countries.

There are also other causes of "Japanese economic miracle". They are cheapness of labour force, confidence in the banking system, strict governmental control over the foreign trade, export orientation of the economy, support for domestic producers and not

least of all credits on the part of the United States. All of it has led to the results, which still captivate people of other countries. Within the shortest time possible, Japan by its development has left behind France, Italy, Canada, Great Britain and other countries.

Regardless of that in recent years the economic growth rate of Japan is lower than in the post-war years, today the country occupies the third place in the world by GDP. Japanese companies made every effort to pull in debts and enter foreign markets that allowed keeping economic growth of the country at the level of zero.

Japanese companies have achieved a high level of integration with Asiatic economies by placing there their productions. However, there is envisaged internal reforming aimed at doubling of flows of people, goods, capitals and providing more active and free interaction with Asian countries. Reforms touch upon such spheres as education and work of foreigners in Japan, transport infrastructure. Moreover, there is planned a reduction in corporate tax in Japan for the purpose of creation of favourable conditions for attracting foreign direct investment in the country.

There is planned to attract the talents from abroad and transfer to a society where foreign employees play an active role. It is envisaged to improve migratory procedures for highly skilled personnel from abroad and accept for education and training of young people from other countries. Foreign trainees who will be allowed to stay in Japan for three years the term shall be extended for two more years.

It is planned to extend the role of venture capital, which plays an important role in providing economic growth and innovation, promoting innovation in the field of science and

technology and development of infrastructure, which associates innovative technologies with a new business, improvement of business environment for increasing career development of women as well as provision of grants for supporting of working places, labour force mobility.

A new scheme of medical insurance will be introduced in order to provide patients with a more quick access to new methods of treatment, which still should be covered by medical insurance.

There are projected: participation in trade agreements at a high level; reducing state support for promoting restructuring of viable enterprises and going out of non-viable; doubling of income of farmers and agriculture; reducing of payoffs for farmers, herewith accelerating consolidation of agricultural lands and reforming of the role of agricultural cooperatives.

Japan is the most powerful banking centre and international creditor. Capital export is the main form of its foreign economic activities. The most of Japanese capitals work in the USA (42,2%), Asian countries (24,2%), Western Europe (15,3%), Latin America (9,3%). Pulling through a cheap yen, Japanese investors began intensely invest funds in bonds even of problem European countries.

Ukraine attracts Japanese investors and has further to strengthen it. Ukraine use the experience of many countries of the world and Japanese experience would also be useful. Among features, which can be borrowed, first of all are social orientation of innovation in the field of science and technology and developments that associate innovative technologies with a new business. This is a positive tendency in the context of the world globalization of economic development.