

The Lost Decade's Influence on Current Day Japan

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In the late 1980's, Japan was in the midst of an economic high. This "bubble economy" marked the end of an "economic miracle" in which Japan experienced huge economic growth, associated with "frothy fortunes, pie-in-the-sky projects, and lavish living" (Kingston 2011: 23, 24). With the turn of the decade, the bubble burst, and stock and asset prices crashed; the stock market average dropped around 75% of what it was during the high in the 1980's (Kingston 2011: 24). With the burst of the bubble economy came the "lost decade," the 1990's. The lost decade refers to the 90's, but realistically, it extends into the modern day. Thus looking at changes that came about immediately following the economic crash are even more pertinent, and can give insight into how Japan is reforming and restructuring to recover and correct for the issues in government structure that caused the economic bubble and following crash.

There was likely corruption and questionable decision making among government officials for decades, but citizens up until 1989 were not focused too strongly on the government's behavior given the prosperity they were experiencing—as Kingston put it, it was a time of "swaggering self-confidence" (Kingston 2011: 23). With the burst of the economic bubble followed with no sign of swift recovery, people began to lose faith in the government. Japan Inc, which had been critical in the 80's economic success lost credibility, and the media began to truly dig into government official's actions to exposure corruption and scandals (Kingston 2011: 24, 27, 28). This media pursuit of transparency has contributed to more skepticism and less blind trust of the government, which is beneficial in creating a healthy, efficient government. It has also led to more available knowledge about Japan's past, particularly

the Showa period and associated war crimes, which were so speedily forgotten after WWII with the USA's constant prodding to move forward (Kingston 2011: 25). Once it became apparent that the government was hiding facts from the people (e.g. environmental impacts of construction projects) and officials were often corrupt (e.g. *amakudari* system) increased transparency came officially in the National Information Disclosure Legislature in 1999 (Kingston 2011: 31, 32, 36).

Another large impact of the lost decade was the rise of non-profit organizations (NPOs) (Kingston 2011: 29). Following the disastrous earthquake at Kobe in 1995, NPOs organized volunteer support for rebuilding and aiding those impacted by the earthquake's damage. Rebuilding and supporting communities after natural disasters is typically a role of the government, but in this case, the Japanese government was not overly involved or beneficial. This led to support for the NPOs, as they showed their potential was large, which resulted in an NPO law being passed in 1998 that helped to officially give them more power (Kingston 2011: 29).

The burst of the economic bubble and the following the lost decade are characterized by newfound lack of trust in the government, and thus support for more openness and more power to the people, rather than an opaque government. This reform extends into the modern day, and shapes current Japan socially and politically. While Japan has not yet recovered economically, these developments are positive, and will decrease the chances of a similar economic crash occurring in the future. They are also in part an inevitable part of rebuilding a country which had been thriving on an unsustainable post-war policy for longer than it should have.