

東洋大学長 殿
To the President of Toyo University

東洋大学海外からの研究員 研究報告書
Research Report for the Toyo University Research Fellow Program

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所属機関名 Affiliation	Liaoning University, CHINA
部局名 Section	College of Finance and Trade
職名 Position	Associate professor
研究テーマ Research topic	(日本語 Japanese) 製品内貿易モデルにおける東アジア経済周期連動性研究～日本が経験した貿易摩擦からみた中国への示唆
	(English) A study on the linkage between East Asian economic cycles in an intra-product trade model ~ Frictions and Obstacles Japan experienced and Implications on China
研究期間 Research period	From 2024/5/8 to 2025/3/31
受入担当教員氏名 (東洋大学の所属) Name of Host professor (affiliation at Toyo Univ.)	Profess Renping Hao (郝 仁平), Faculty of Economics, TOYO University
研究成果発表 (予定も含む) Publication/Presentation of research results (including future ones)	“Frictions and Obstacles Japan experienced and Implications on China”, Lecture at Macroeconomic seminar, Graduate School of Economics, The University of Toyo on October 3, 2024.
研究成果の概要 Summary of research results	After World War II, Japan experienced “Jinmu- prosperity” which brought a quick developing country. Afterwards, there was so-called bubble burst. In an attempt to revive the economy, the Japanese government implemented a series of structural reforms, including financial and monetary reforms and corporate restructuring. From Japan's experience, China can learn that maintaining economic health and stability involves being vigilant against asset bubbles, implementing sound financial and monetary policies, and undertaking necessary economic structural adjustment.
研究成果(英語 600 単語以上、または日本語 1,700 字以上)	In 1954, the "Jinmu-prosperity" began. Japan's industrial production started to return to pre-war levels. Between 1953 and 1965, Japan's GDP grew at an annual rate of approximately 9%, entering a period of rapid economic growth centered on manufacturing.

<p>Research results (more than 600 words in English or more than 1,700 words in Japanese)</p>	<p>In the late 1980s, tensions between Japan and the United States were primarily manifested in economic and trade relations, particularly regarding Japan's trade surplus and Japan's rise in high-tech sectors. The first conflict is Trade Deficit. In the 1980s, the U.S. trade deficit with Japan increased year by year. In the early 1980s, the deficit was around \$10 billion, while by the end of the decade, it had grown to nearly \$30 billion. The second conflict is Market Access Issues. The U.S. believed that Japan imposed unfair restrictions on American companies' access to its markets in high-tech areas, such as automobiles and semiconductors. Specifically, in the automotive sector, the U.S. criticized Japan for unfair trade policies and market access barriers. The third conflict is Economic Competition. Japan's economy experienced rapid growth in the 1980s. Japanese companies performed strongly in the global market, raising U.S. concerns about economic threats. The last conflict is Political Pressure. The U.S. government exerted substantial political pressure on Japan to reduce the trade deficit, including demands for improved market access conditions, increased imports of American goods and services and more cooperation in technology.</p> <p>Japanese government took actions to solve these frictions. The first way is to arrange the Trade Agreements and Negotiations. To ease tensions with the U.S., the Japanese government engaged in multiple rounds of trade negotiations with the U.S. in the late 1980s. The 1985 Plaza Accord was a significant outcome, aiming to adjust the exchange rate between the dollar and the yen to ease U.S. pressure on yen appreciation. Subsequently, in 1989 U.S.-Japan Semiconductor Agreement also aimed to resolve trade disputes in the semiconductor sector. The second way is to do Market Opening. Japan gradually relaxed market access restrictions on American products, particularly in the automotive and semiconductor sectors. The third way is to Enhance Cooperation. Japan strengthened economic cooperation with the U.S., especially in technology and investment sectors. Japanese companies increased investment in the U.S. market and established more collaborative relationships with American firms.</p> <p>Besides alleviating the economic tension, Japan faced more serious economic problems, which was the overheating economics. The</p>
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	<p>lessons China can learn from Japan should be paid more attention to. The first is about Risks of Asset Bubbles: Japan experienced severe asset bubbles in the late 1980s, with dramatic increases in real estate and stock market prices. The performance of China's real estate problems shows the similar features. (1) price increase: In recent years, property prices in some Chinese cities have risen significantly. (2) Price-to-Income Ratio: For instance, in 2019, the price-to-income ratio in Beijing and Shenzhen was over 20 times, meaning it would take 20 years of household income to buy a home.(3) Real Estate Investment as a Percentage of GDP: In recent years, this ratio has remained between 20% and 30%, significantly higher than in many other countries.(4) Vacancy Rate: According to 2018 data, China's vacancy rate is estimated to be between 10% and 20%, with some cities even higher.</p> <p>The second is the Prudent Monetary Policy: Part of the reason for Japan's bubble economy was excessively loose monetary policy. Chinese deposit reached a peak in 2024. So it is worth considering how to encourage people to consume and how to build consumption confidence. The third is about financial regulation. Japan's bubble economy was partly due to inadequate financial regulation. China needs to strengthen financial oversight to ensure the sound operation and risk control of financial institutions, preventing excessive expansion and risk accumulation in the financial markets.</p> <p>Next lesson is about economic structural adjustment. Following the bubble burst, Japan faced a prolonged economic downturn. China should proactively adjust its economic structure, reducing over-dependence on any single industry or asset to enhance economic resilience and diversification. The last lesson is about Investment on innovation: China should put emphasize on the following fields which have comparative advantages.</p>
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