

Sustaining Old Age Security in Japan : Toward a New Public-Private Pension Mix

Harald Conrad

- I. Introduction
- II. Pension Reforms in Japan: Past and Present
- III. The Structure of the Japanese Pension System
 - 1. The Public Pension System
 - 2. The Occupational Pension Plans
 - 3. The Personal Pension Plans
- IV. The Economic Situation of Elderly Households in Japan
- V. Recent Public and Occupational Pension Reforms: An Overview
- VI. Implications of Recent Reforms
 - 1. Financial sustainability
 - 2. Distributive Effects and the Role of the Basic Pension
 - 3. Changing the Public-private Mix in Pensions
- VII. Conclusion
 - Zusammenfassung

1 INTRODUCTION

Until about 10 to 15 years ago broad consensus existed among the informed around the globe that post-war Japan's political and economic performance had been outstanding by most standards. Beginning in the late 19th century and gaining momentum after the Second World War, Japan as an industrial latecomer pursued highly successful policies to try and catch-up. As a result, as early as 1968 the country ranked third in terms of GDP after the United States and the Soviet Union. However, after the burst of the so-called "bubble economy", the implosion of the speculative asset and real estate bubble at the beginning of the 1990s, Japan and its policies have lost much of their lustre, although the country is still the world's second largest economy in GDP terms. After more than 10 years of a lingering recession, few foreign observers believe that there is much to learn from this country's economic policies.