GLOBAL POPULATION MEGATRENDS AND JAPAN’S DEMOGRAPHIC CRISIS
Devastating Threat or Manageable Challenge?

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The World Is Changing in New ways

- There will be unprecedented aging and the loss of young workers and consumers in rich countries
- Urbanization is shifting population locations and employment
- The Global Middle Class, which is poorer and in poorer countries, will be the major source of economic growth instead of rich country populations and China
- China is slowing down and will enter its own demographic crisis
- ALL OF THESE TRENDS ARE AFFECTING JAPAN PERHAPS MORE STRONGLY THAN ANY OTHER NATION
Global Labor Force Growth (millions)

0 500 1000 1500 2000 2500 3000 3500 4000 4500 5000


Most Developed Countries
Least Developed Countries

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The Global Middle Class

Millions

- Rest of world
- North Am. & Europe

2009 2010 2020 2030

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Japan’s Population by Age Group
Projection to 2100 (millions)
Pension and Health Support Ratios in Japan, 1960-2060

Working age pop (20-69) per retiree age pop (over 70)

- 1960: 16
- 1985: 8
- 2010: 4
- 2035: 2
- 2060: 1
Japan in Asia: A Different Future

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Incredible Shrinking China

The graph shows the population of China from 1980 to 2100, divided into two age groups: Pop 15-59 and Pop 60+. The population of Pop 15-59 peaks around 2030, while the population of Pop 60+ shows a smaller peak around 2050 followed by a decline.
Solutions (1)

• Let Women Work
  – Japan has one of the lowest female workforce rates in the world; Japan could increase GDP by 12% -- 10 years growth! – by equalizing male and female labor force engagement.

• Let Women Have Families AND Work
  – On-site nurseries, support for working women, career allowances for children, better balance of work and family time for women AND men
Solutions (2)

• Allow Immigration to Meet Japan’s Needs
  – Construction, elder care, agriculture & fisheries
  – Science and Technical/High Skill workers
• Innovate in Elderly Care and Lifestyle
  – Become a world leader in the fastest growing global market
• Be Global, Stay Japanese
  – Emphasize Community and Quality, Borrow the Best and Improve
  – Recreate Japan’s success
Solutions (3)

• Partnerships in Asia will be vital
  – Philippines, Vietnam, Myanmar, Indonesia, Malaysia, Thailand
  – Economic Growth will be mainly in south and southeast Asia, Africa and the Middle East

• Security will depend on external support
  – Closer relationships with NATO, ANZUS
  – Balancing China, which will face its own demographic crisis very soon