

Japanese labor force in future

with JIDEA7 simulation

16th INFORUM
Conference

by Yasuhiko Sasai

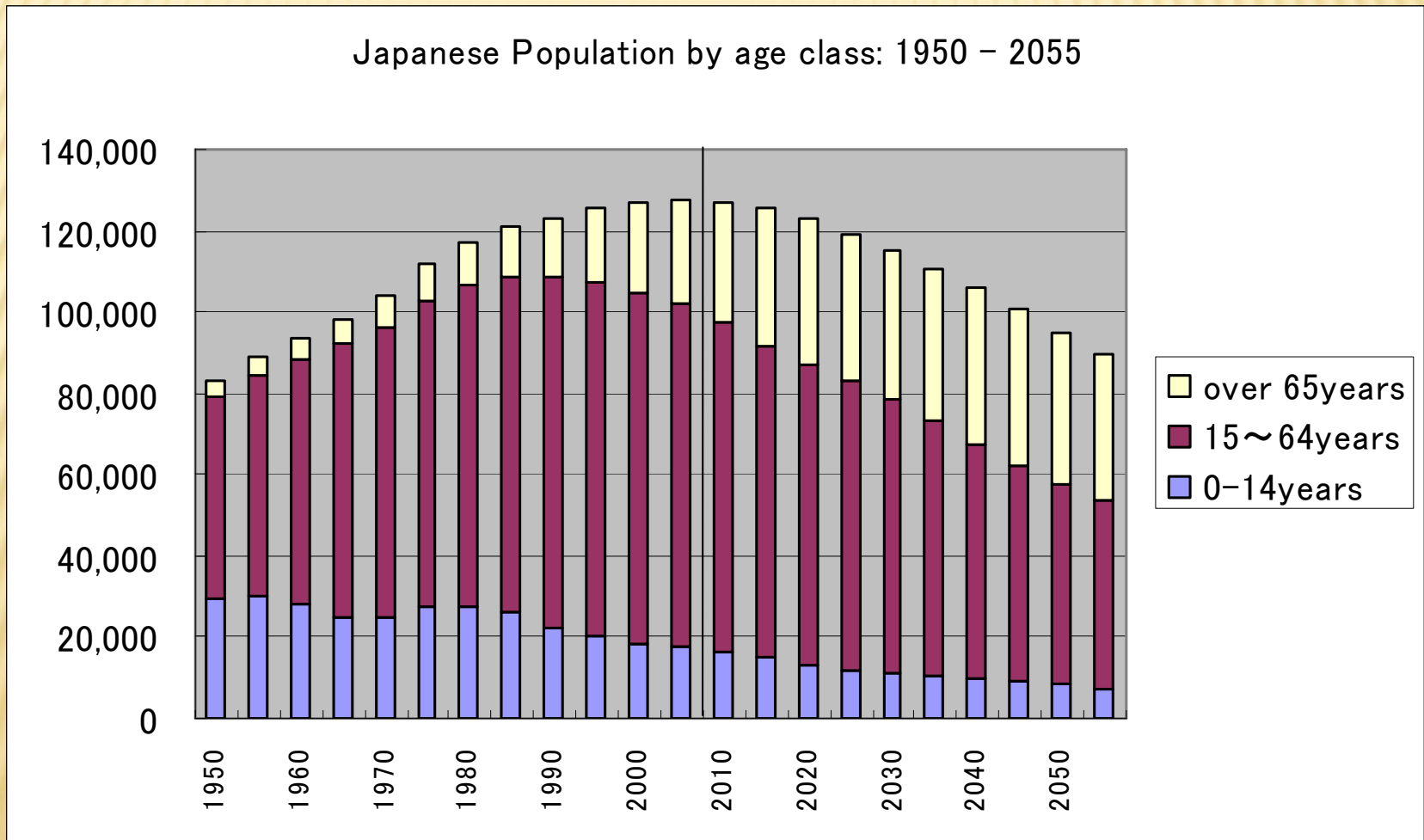
Institute for International Trade and Investment (ITI)

THE EVOLUTION JIDEA6 TO JIDEA7

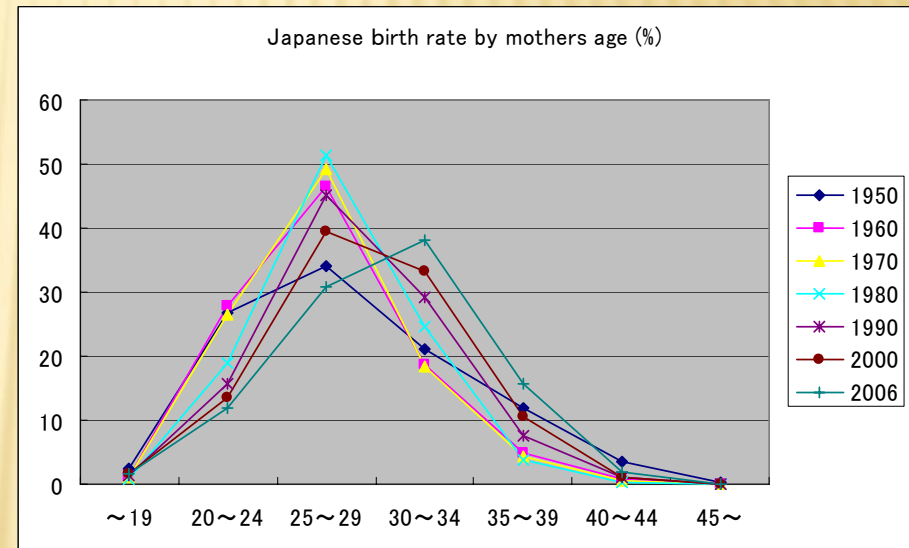
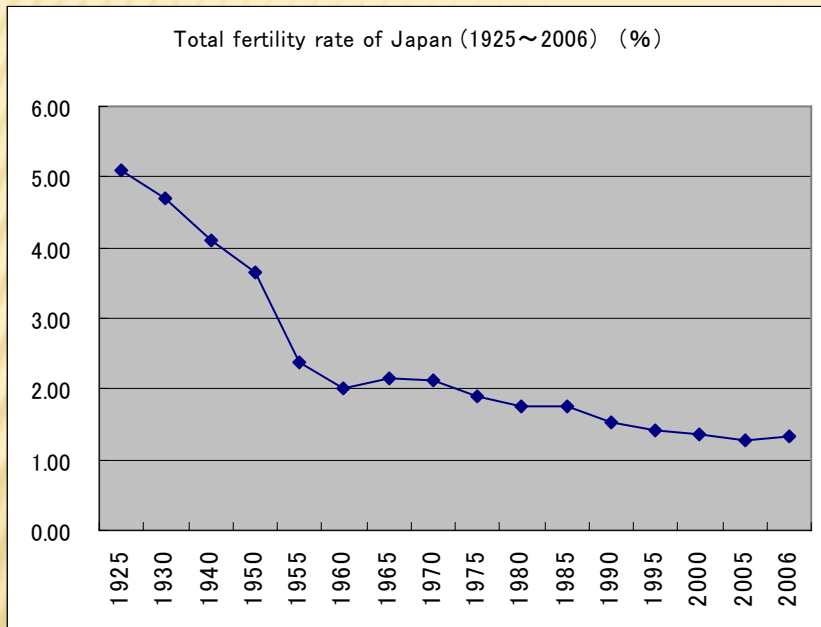
1. New data 2006 added
2. PSeidel: arguments arranged correctly
3. Rhoadjustment: make it work properly
4. Coefchg: calculation process readjusted
5. Productivity function: changed and revised
6. Balance checked rigidly

JAPANESE POPULATION FORECAST

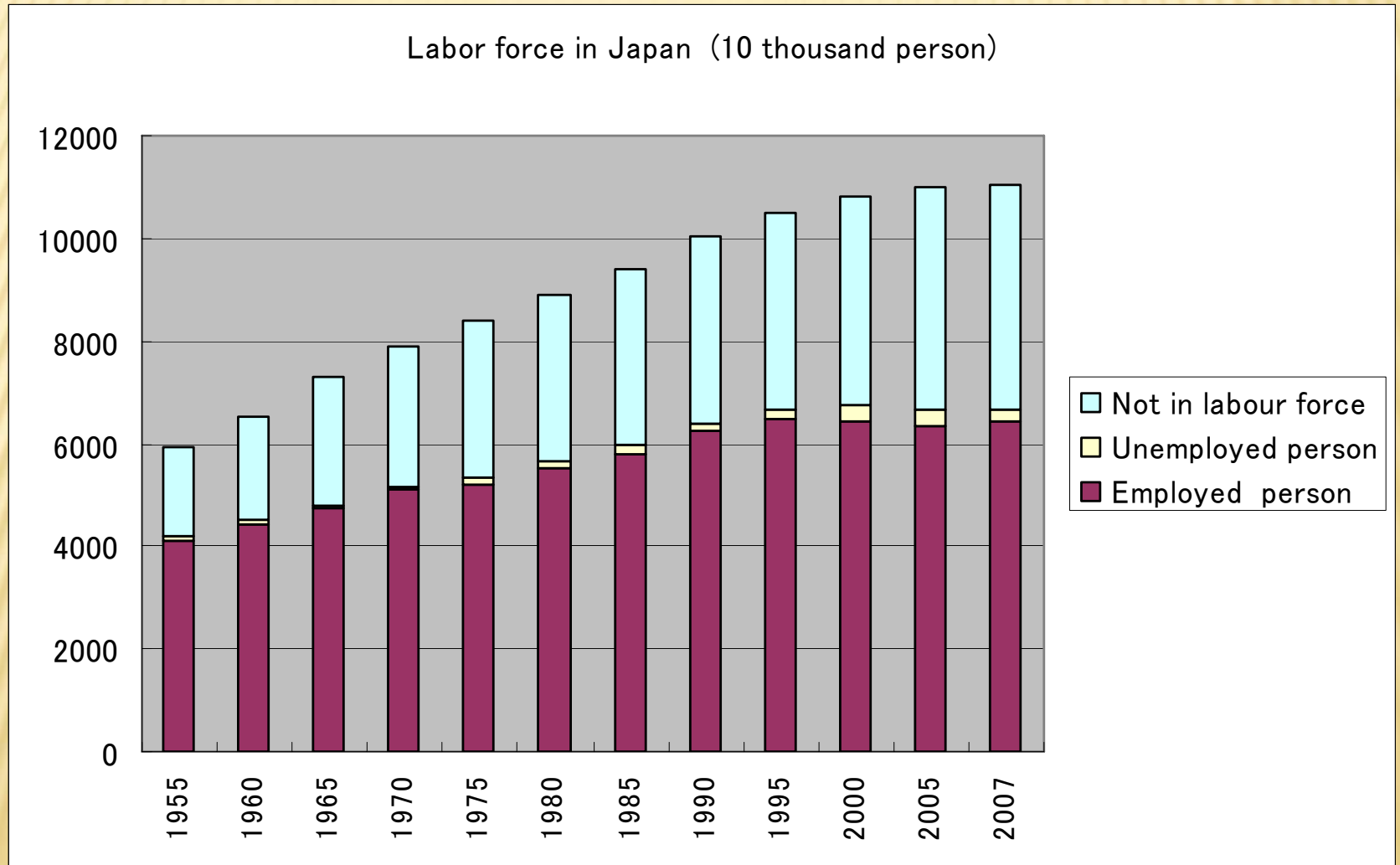
Source: National Institute of population and social security research



MAIN CAUSES OF DECREASE

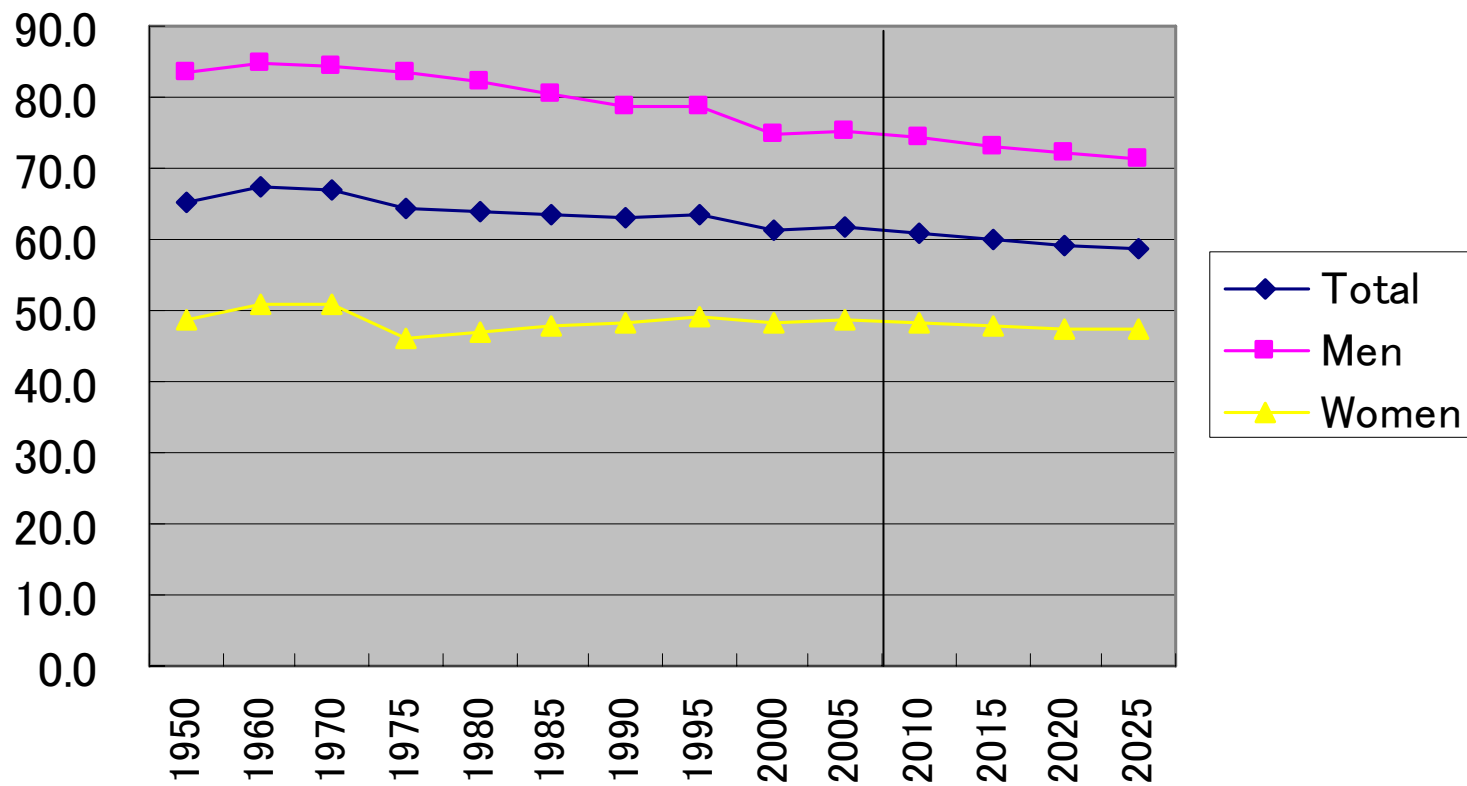


LABOR FORCE



LABOR FORCE PARTICIPATION RATE

Labor participation rate (%)



JIDEA7 BASE LINE

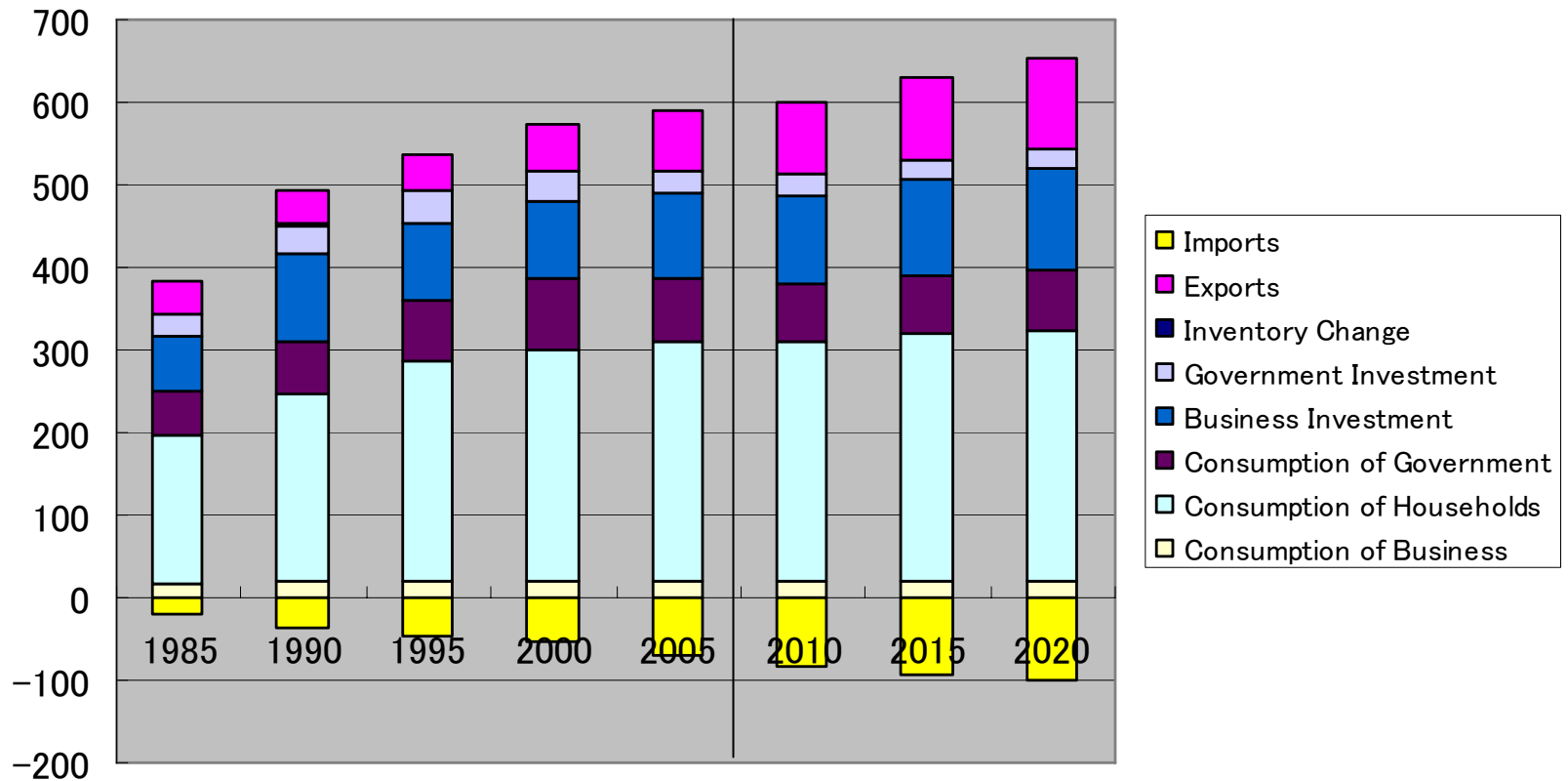
```
C:\ cmd
JAPAN INTERINDUSTRY DYNAMIC ECONOMETRIC ANALYSIS (JIDEA)
Version 7.1

ITERATION COUNTS
Yr  M  Q  P  GDP  Cons  Inv  Exp  Imp  Outr  Wage/E  Inf1  Emp  GrGDP
6  3      525.0 384.3 135.4 80.8 75.5 969.8 4.077 -0.04 63870 0.49
7 12 103 526.1 385.9 136.6 82.6 79.1 975.2 3.960 -0.23 64078 0.20
8  6  9  3 522.6 383.2 135.1 84.3 80.1 970.8 3.997  0.93 63753 -0.66
9  6  9  3 518.1 379.9 133.0 86.1 80.9 964.0 4.030  0.94 63291 -0.87
10 6  9  3 519.2 379.9 133.1 88.7 82.5 967.9 4.043  0.92 63783  0.21
11 7 103 523.4 382.4 134.7 90.8 84.5 976.9 4.055  0.62 64520  0.81
12 7 104 527.6 385.0 136.3 92.7 86.4 985.6 4.070  0.59 65232  0.80
13 7  9  3 531.8 387.4 137.9 94.8 88.3 994.4 4.084  0.61 65966  0.79
14 7  9  2 535.5 389.2 139.4 97.1 90.2 1002.5 4.099  0.65 66651  0.70
15 6  9  3 538.8 390.6 140.7 99.6 92.1 1010.0 4.114  0.69 67305  0.62
16 6  9  4 541.9 392.0 142.0 101.9 94.0 1017.1 4.127  0.70 67969  0.59
17 6  9  4 545.1 393.6 143.3 104.1 95.9 1024.2 4.140  0.70 68651  0.58
18 6 104 548.1 395.1 144.6 106.3 97.8 1031.1 4.151  0.72 69336  0.56
19 6 104 551.1 396.4 145.8 108.5 99.7 1037.8 4.163  0.72 70025  0.54
20 6 104 554.1 397.9 147.1 110.7 101.6 1044.4 4.173  0.74 70735  0.54

The JIDEA model simulation is done. Use Vam or Compare to view results.
Total execution time: 15 seconds
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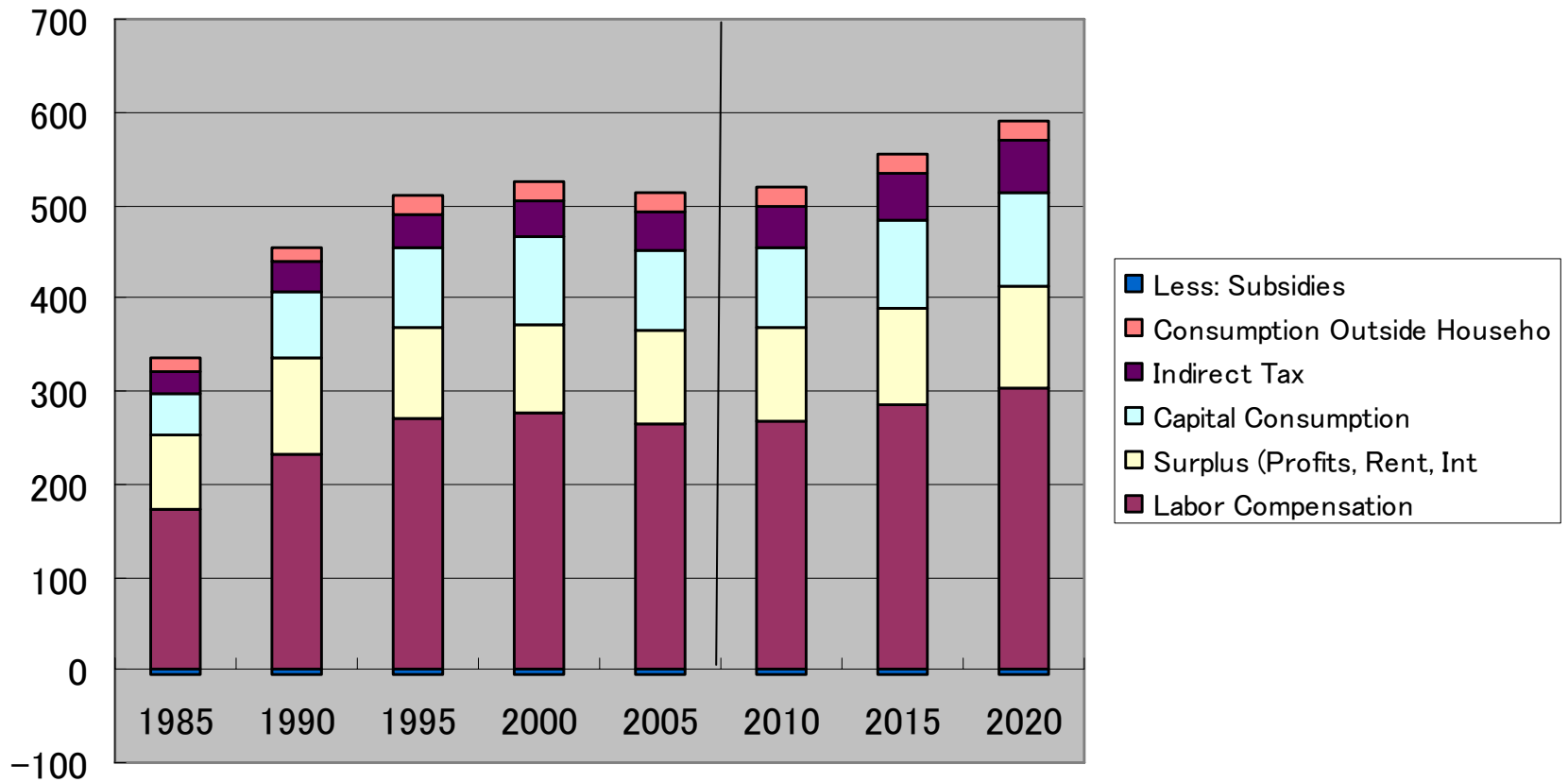
JIDEA7 MACRO SUMMARY

GDP components by expenditure category (Trillions of Yen)

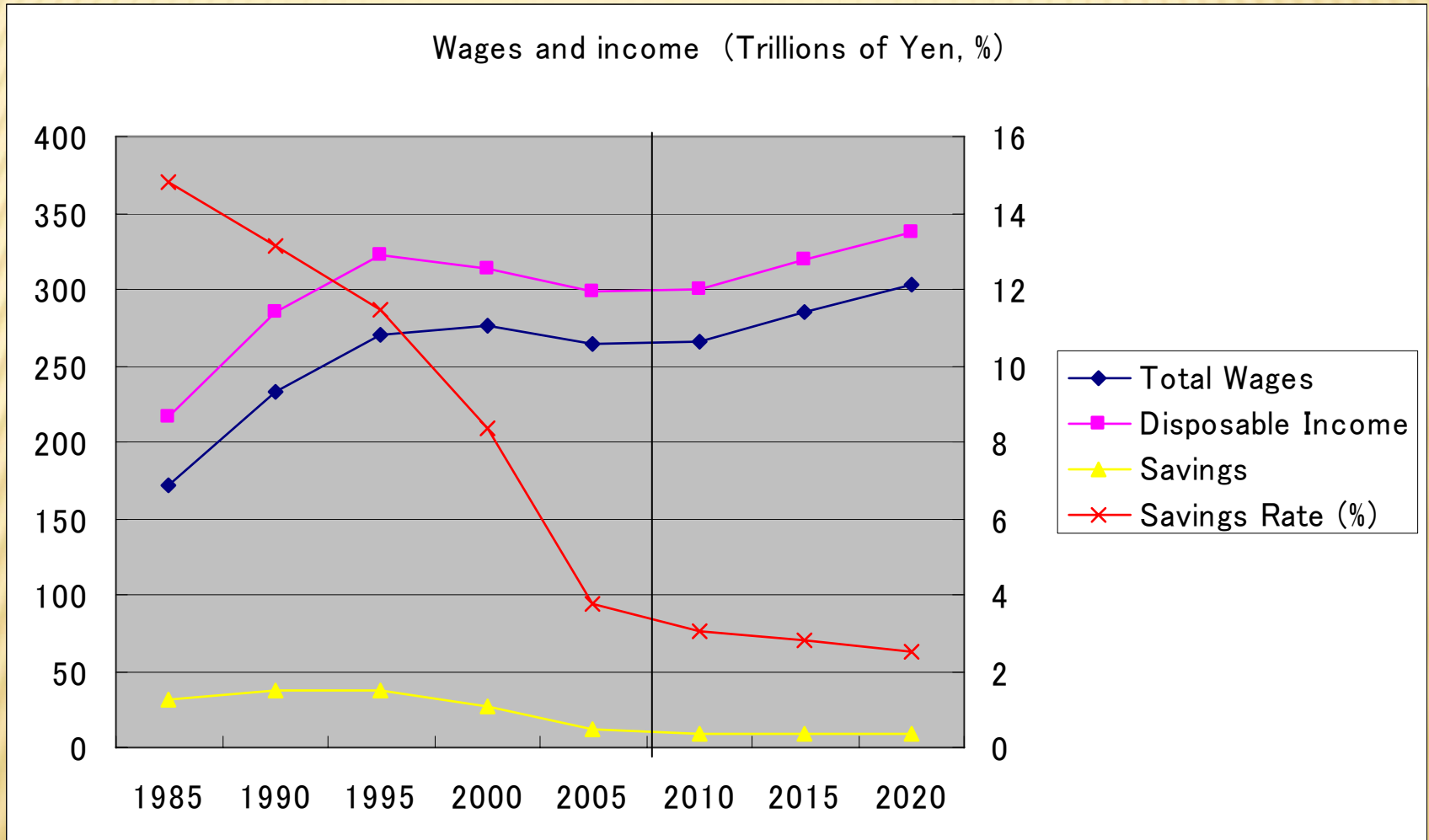


GDP BY INCOME CATEGORY

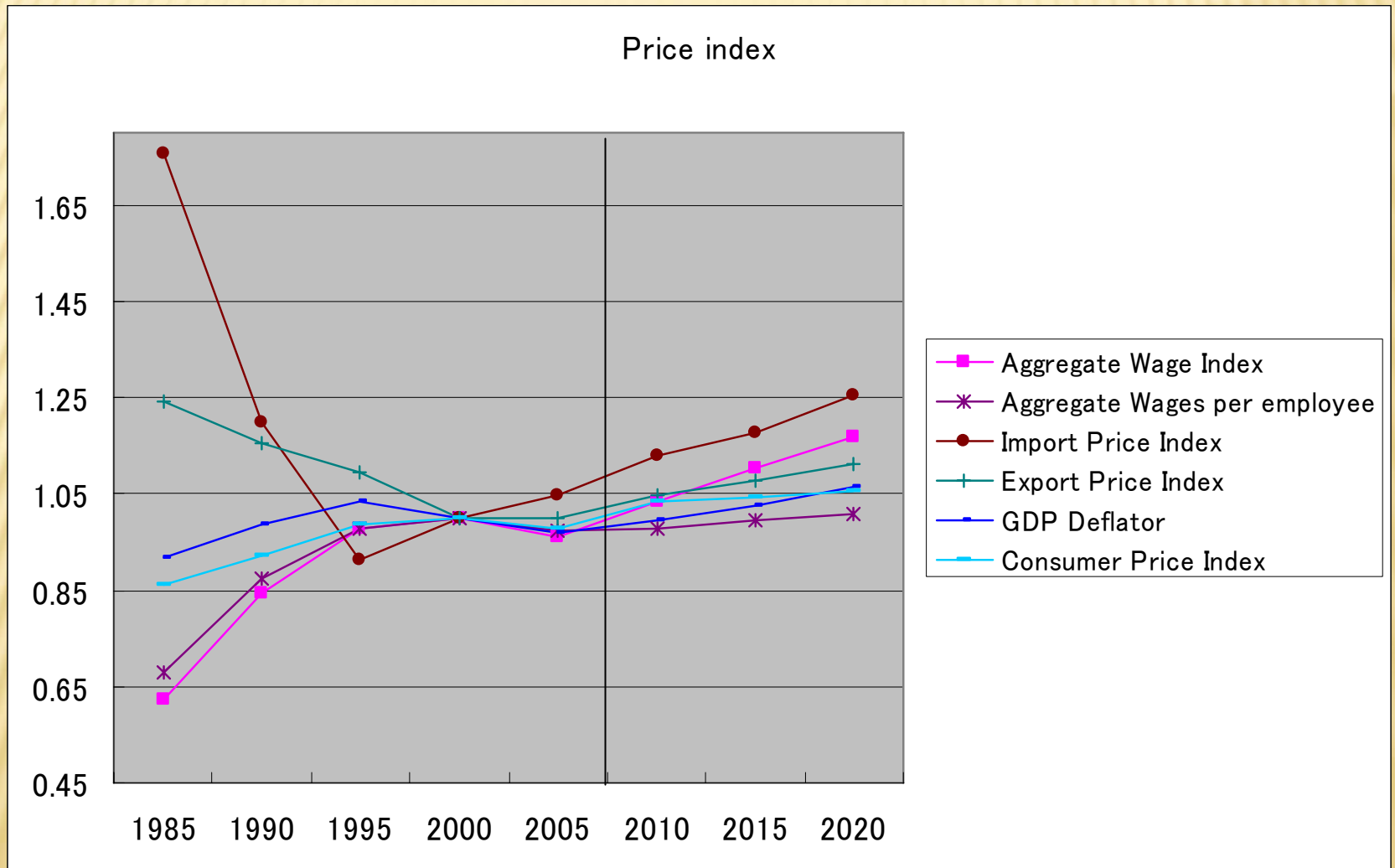
Current price GDP by income category (Trillions of Yen)



DISPOSABLE INCOME & SAVING

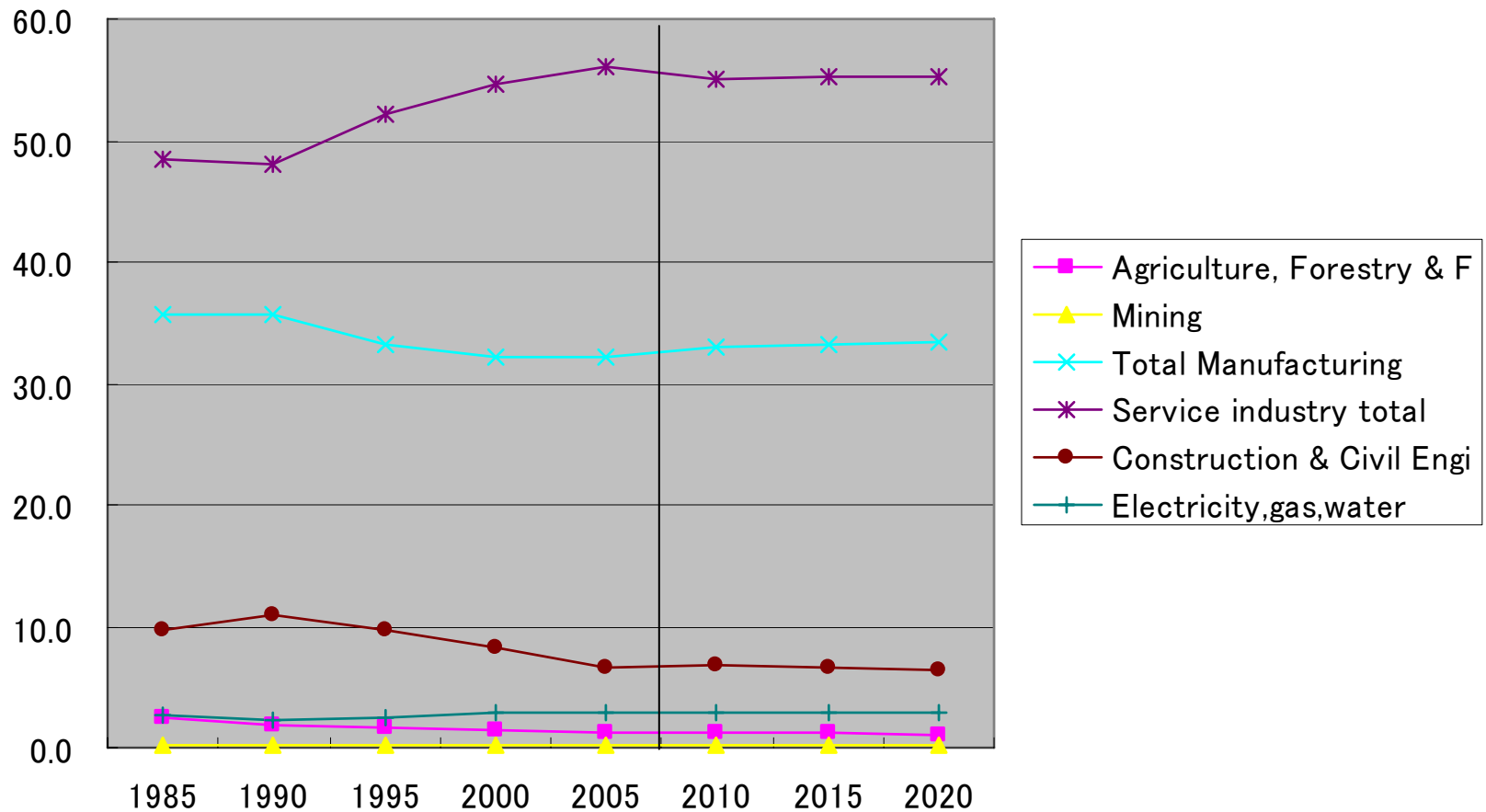


PRICE INDEX (2000=1.0)



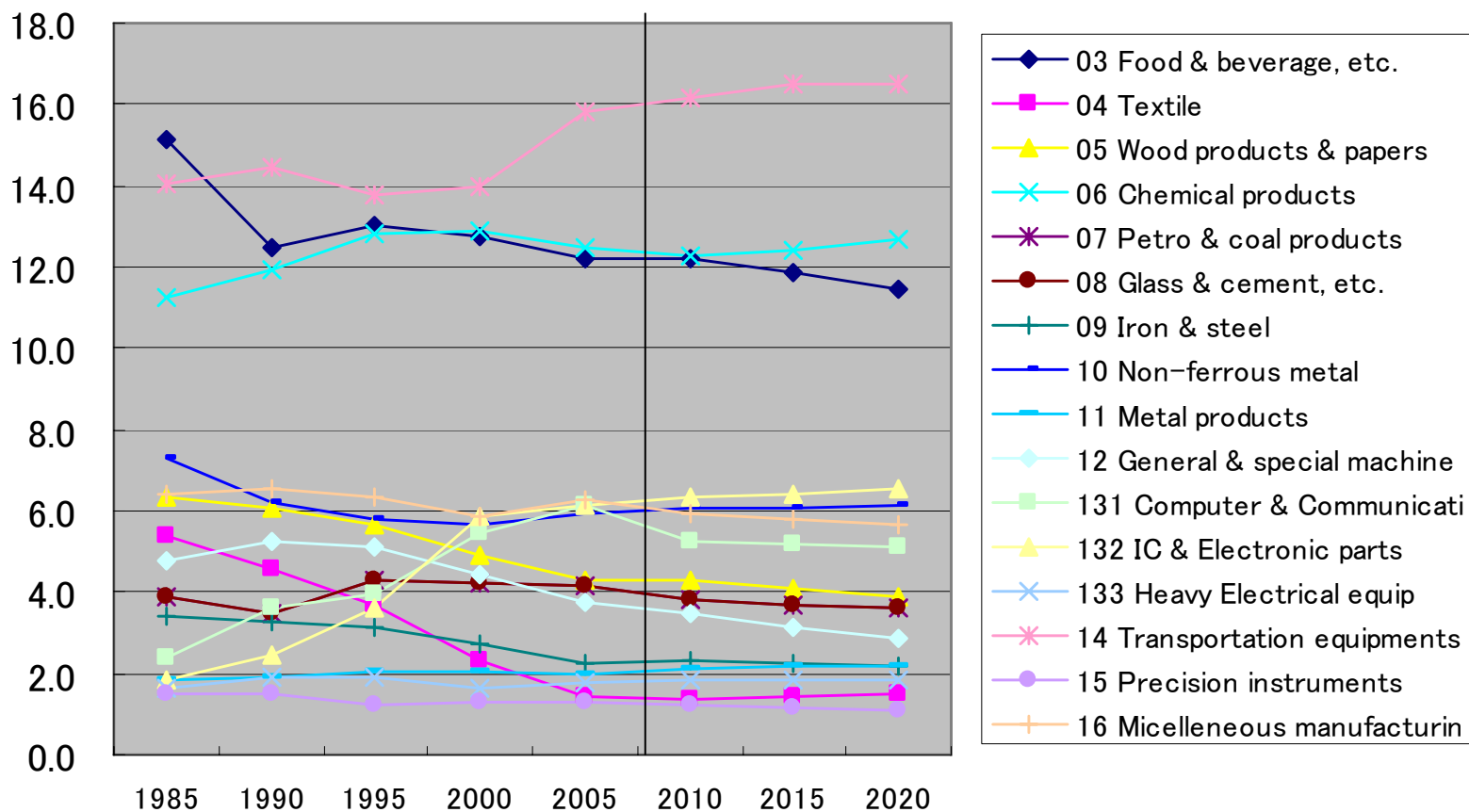
OUTPUT SHARE BY INDUSTRY

Output share by industry (% in real terms)



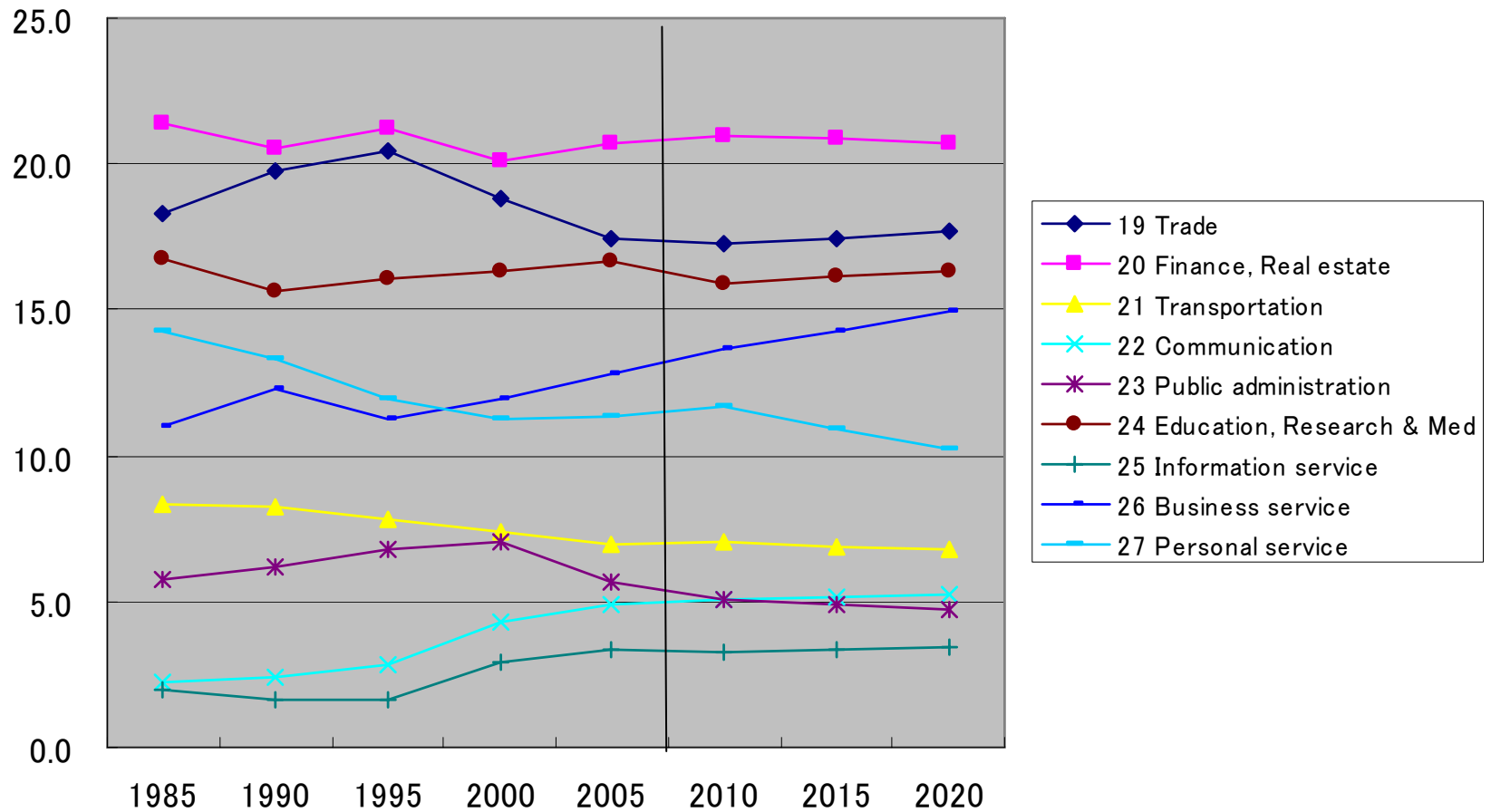
OUTPUT SHARE BY MANUFACTURING (%)

Output share by manufacturing (% in real term)



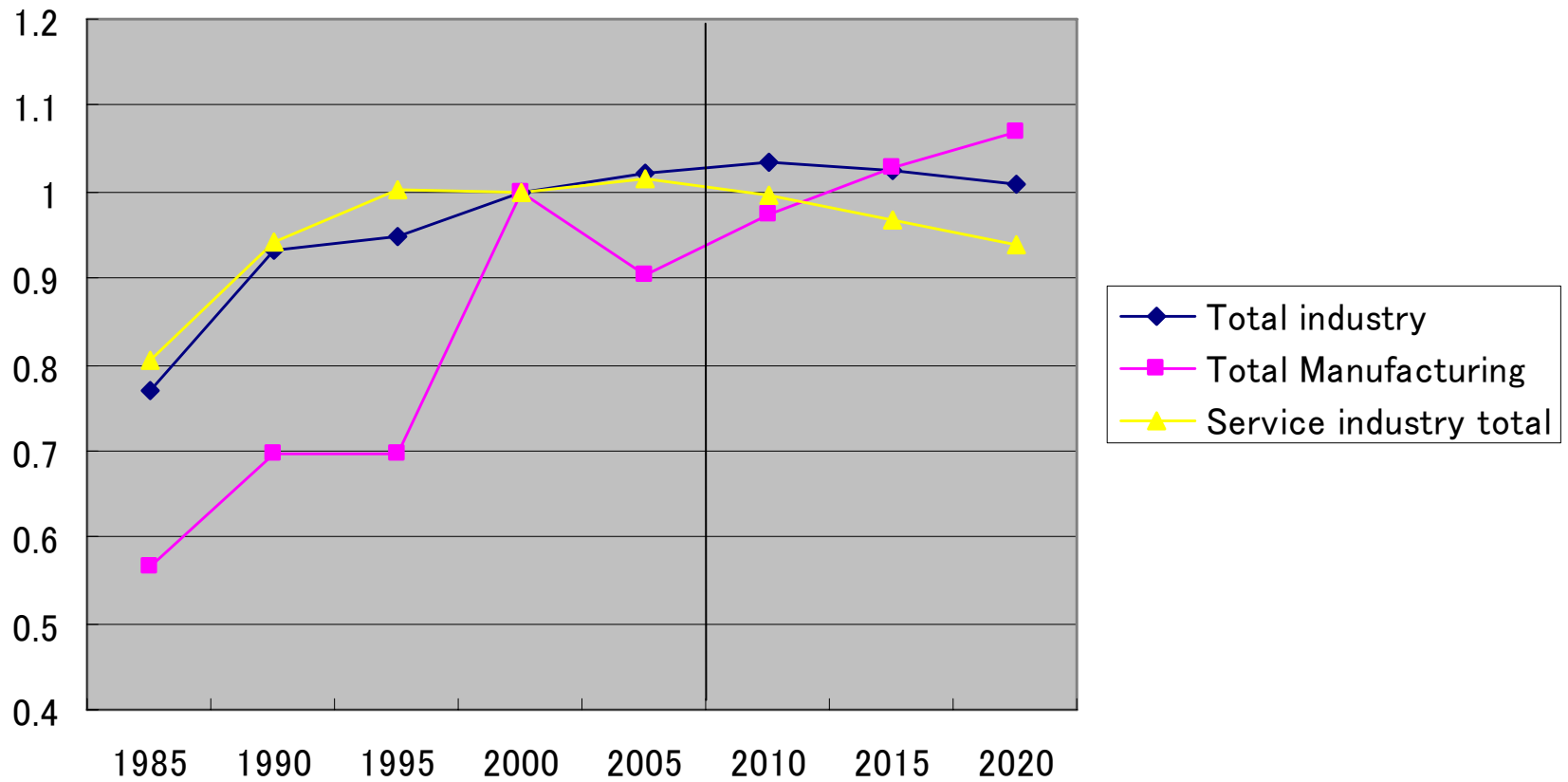
OUTPUT SHARE OF SERVICE INDUSTRIES

Output share of service industry (% in real term)



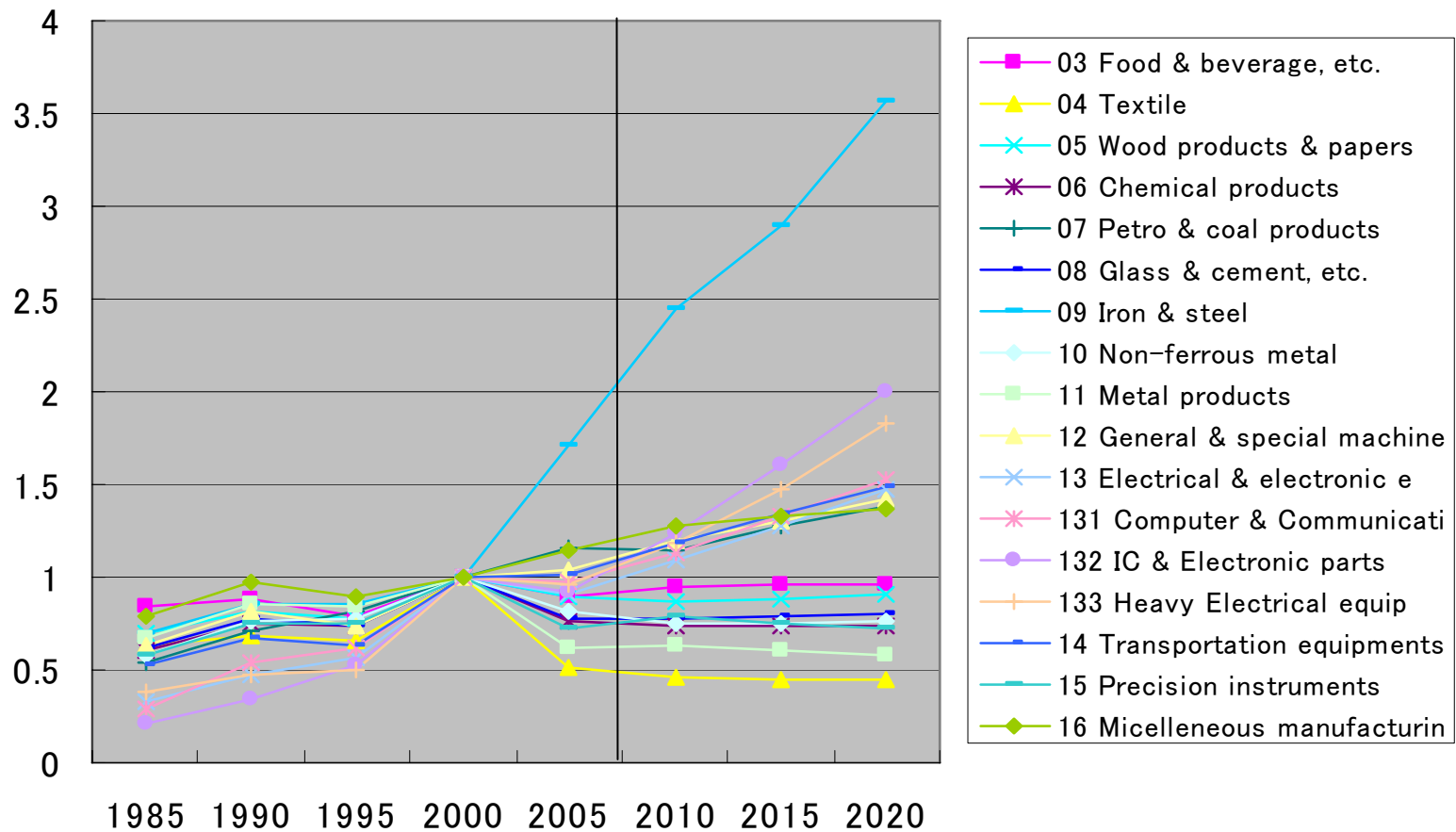
LABOR PRODUCTIVITY

Labor productivity (yen/person, 2000=1)



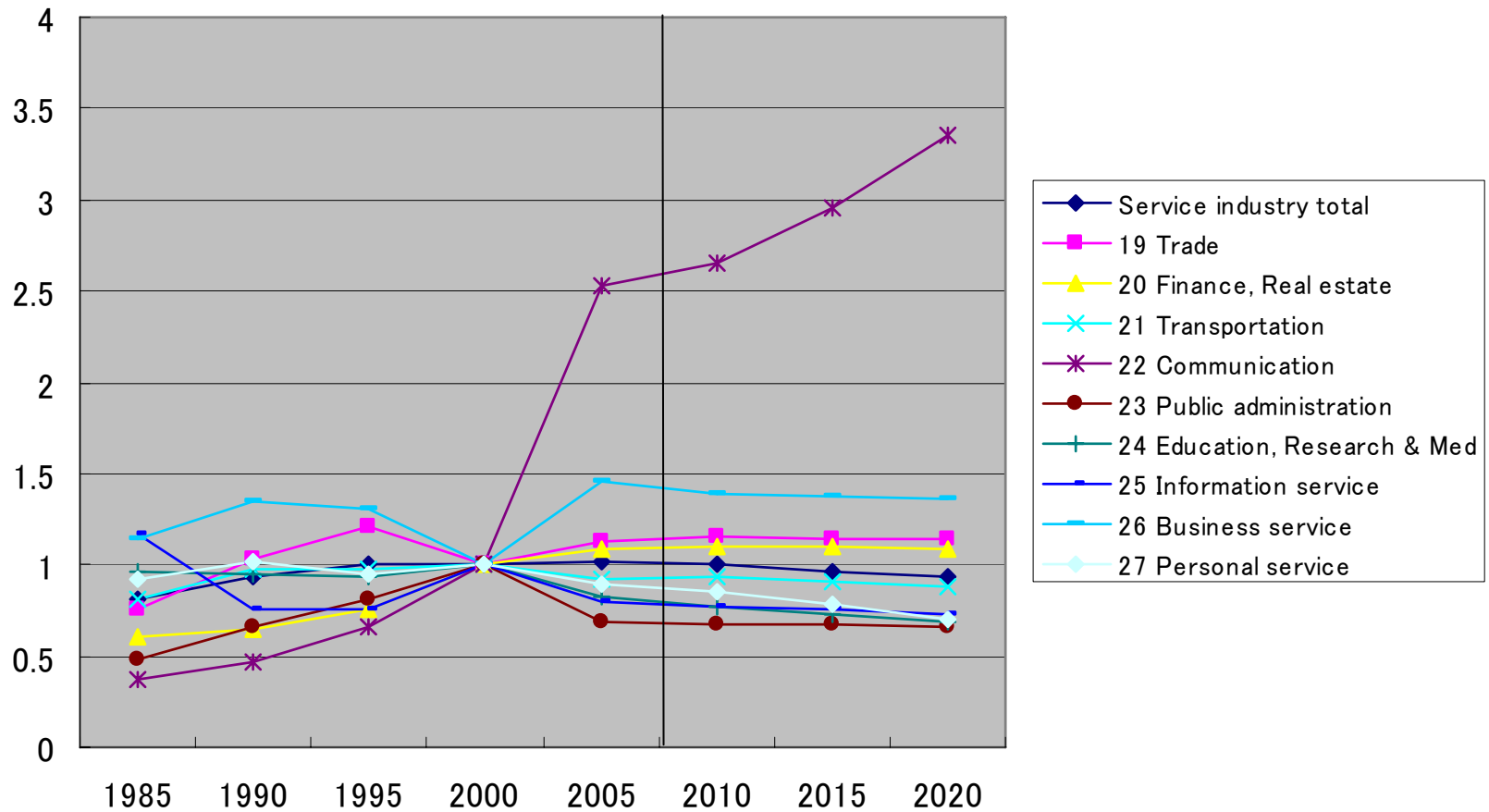
LABOR PRODUCTIVITY IN MANUFACTURING

Labor productivity index by manufacturing (2000=1)

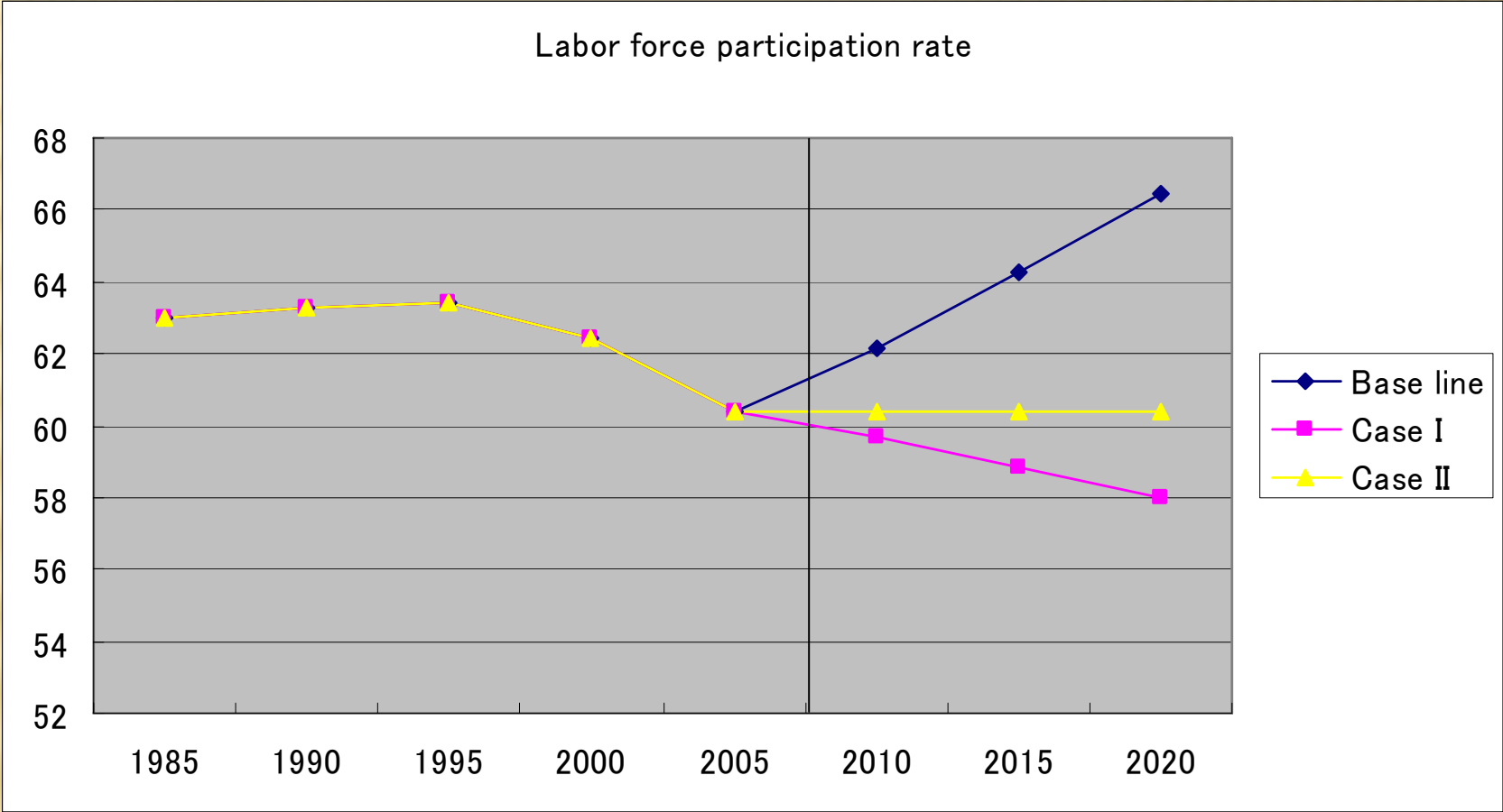


LABOR PRODUCTIVITY BY SERVICE

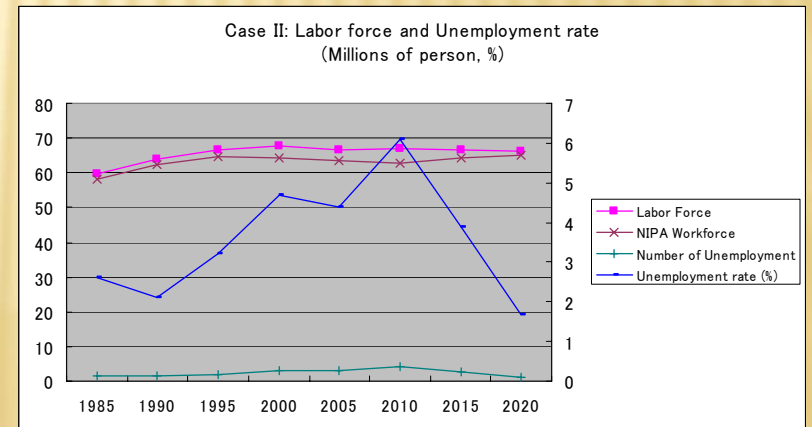
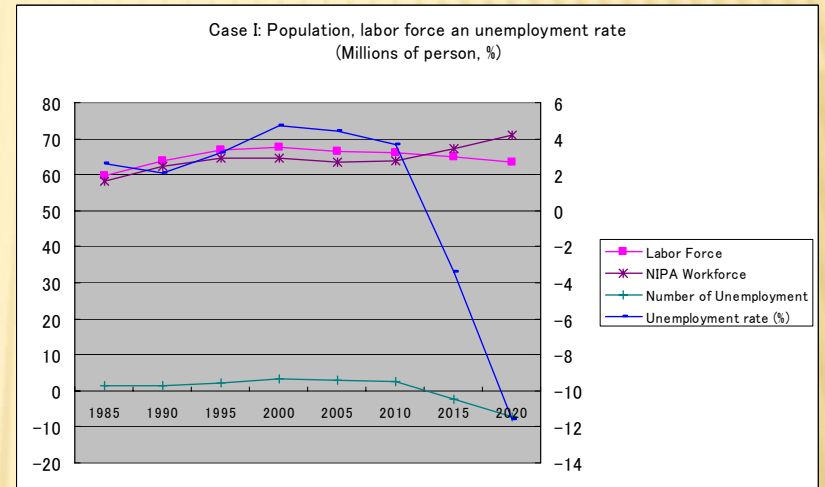
Labor productivity index by service sector (2000=1)



Labor force participation rate in 3 cases



Labor force and unemployment in 3 cases



CASE II: HIGH PRODUCTIVITY

