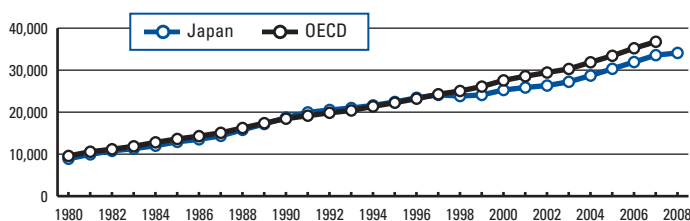


Japan

Key indicators

Population (millions), 2008.....	127.9
GDP (US\$ billions), 2008.....	4,923.8
GDP per capita (US\$), 2008.....	38,559.1
GDP (PPP) as share (%) of world total, 2008.....	6.37

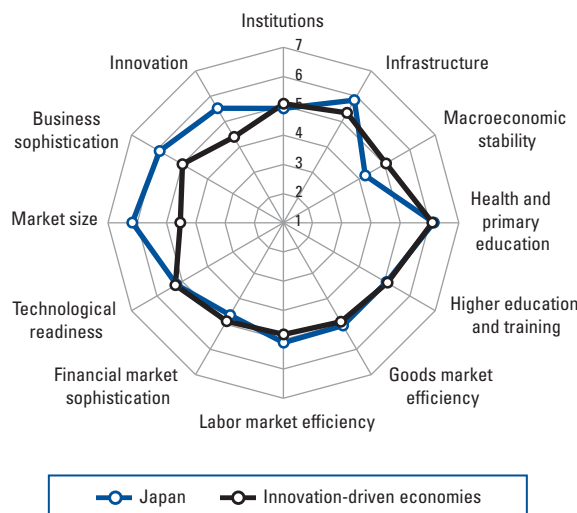
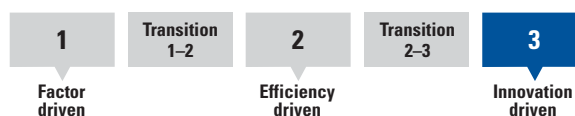
GDP (PPP int'l \$) per capita, 1980–2008



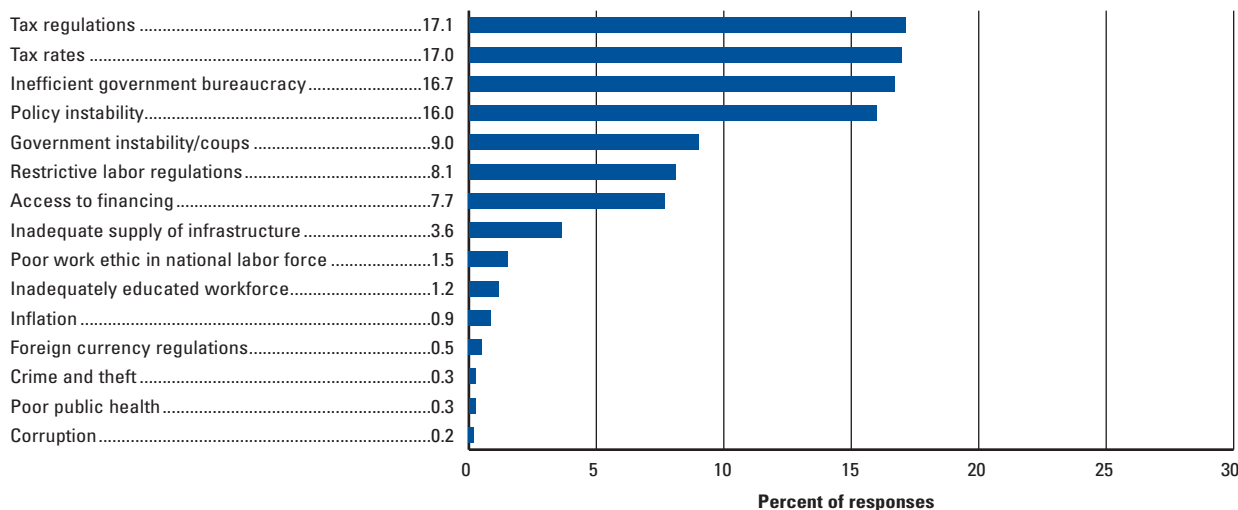
Global Competitiveness Index

	Rank (out of 133)	Score (1–7)
GCI 2009–2010	8	5.4
GCI 2008–2009 (out of 134).....	9	5.4
GCI 2007–2008 (out of 131).....	8	5.4
Basic requirements	27	5.3
1st pillar: Institutions.....	28	4.9
2nd pillar: Infrastructure.....	13	5.8
3rd pillar: Macroeconomic stability.....	97	4.2
4th pillar: Health and primary education.....	19	6.1
Efficiency enhancers	11	5.2
5th pillar: Higher education and training.....	23	5.1
6th pillar: Goods market efficiency.....	17	5.1
7th pillar: Labor market efficiency.....	12	5.1
8th pillar: Financial market sophistication.....	40	4.7
9th pillar: Technological readiness.....	25	5.2
10th pillar: Market size.....	3	6.2
Innovation and sophistication factors	2	5.7
11th pillar: Business sophistication.....	1	5.9
12th pillar: Innovation.....	4	5.5

Stage of development



The most problematic factors for doing business



Note: From a list of 15 factors, respondents were asked to select the five most problematic for doing business in their country/economy and to rank them between 1 (most problematic) and 5. The bars in the figure show the responses weighted according to their rankings.

The Global Competitiveness Index in detail

■ Competitive Advantage
■ Competitive Disadvantage

INDICATOR	RANK/133	INDICATOR	RANK/133
1st pillar: Institutions		6th pillar: Goods market efficiency	
1.01 Property rights	19	6.01 Intensity of local competition	8
1.02 Intellectual property protection	20	6.02 Extent of market dominance	2
1.03 Diversion of public funds	31	6.03 Effectiveness of anti-monopoly policy	13
1.04 Public trust of politicians	54	6.04 Extent and effect of taxation	101
1.05 Judicial independence	23	6.05 Total tax rate*	101
1.06 Favoritism in decisions of government officials	17	6.06 No. of procedures required to start a business*	60
1.07 Wastefulness of government spending	99	6.07 Time required to start a business*	65
1.08 Burden of government regulation	22	6.08 Agricultural policy costs	128
1.09 Efficiency of legal framework in settling disputes	31	6.09 Prevalence of trade barriers	95
1.10 Efficiency of legal framework in challenging regs	41	6.10 Tariff barriers*	45
1.11 Transparency of government policymaking	35	6.11 Prevalence of foreign ownership	93
1.12 Business costs of terrorism	108	6.12 Business impact of rules on FDI	98
1.13 Business costs of crime and violence	64	6.13 Burden of customs procedures	49
1.14 Organized crime	82	6.14 Degree of customer orientation	1
1.15 Reliability of police services	23	6.15 Buyer sophistication	1
1.16 Ethical behavior of firms	24	7th pillar: Labor market efficiency	
1.17 Strength of auditing and reporting standards	38	7.01 Cooperation in labor-employer relations	10
1.18 Efficacy of corporate boards	24	7.02 Flexibility of wage determination	11
1.19 Protection of minority shareholders' interests	35	7.03 Rigidity of employment*	20
2nd pillar: Infrastructure		7.04 Hiring and firing practices	116
2.01 Quality of overall infrastructure	17	7.05 Firing costs*	6
2.02 Quality of roads	22	7.06 Pay and productivity	13
2.03 Quality of railroad infrastructure	2	7.07 Reliance on professional management	19
2.04 Quality of port infrastructure	34	7.08 Brain drain	20
2.05 Quality of air transport infrastructure	53	7.09 Female participation in labor force*	85
2.06 Available seat kilometers*	4	8th pillar: Financial market sophistication	
2.07 Quality of electricity supply	11	8.01 Financial market sophistication	44
2.08 Telephone lines*	30	8.02 Financing through local equity market	30
3rd pillar: Macroeconomic stability		8.03 Ease of access to loans	54
3.01 Government surplus/deficit*	120	8.04 Venture capital availability	54
3.02 National savings rate*	46	8.05 Restriction on capital flows	52
3.03 Inflation*	1	8.06 Strength of investor protection*	15
3.04 Interest rate spread*	5	8.07 Soundness of banks	84
3.05 Government debt*	132	8.08 Regulation of securities exchanges	40
4th pillar: Health and primary education		8.09 Legal rights index*	36
4.01 Business impact of malaria	1	9th pillar: Technological readiness	
4.02 Malaria incidence*	1	9.01 Availability of latest technologies	12
4.03 Business impact of tuberculosis	44	9.02 Firm-level technology absorption	2
4.04 Tuberculosis incidence*	40	9.03 Laws relating to ICT	33
4.05 Business impact of HIV/AIDS	46	9.04 FDI and technology transfer	57
4.06 HIV prevalence*	1	9.05 Mobile telephone subscriptions*	72
4.07 Infant mortality*	3	9.06 Internet users*	16
4.08 Life expectancy*	1	9.07 Personal computers*	18
4.09 Quality of primary education	23	9.08 Broadband Internet subscribers*	20
4.10 Primary enrollment*	3	10th pillar: Market size	
4.11 Education expenditure*	96	10.01 Domestic market size index*	3
5th pillar: Higher education and training		10.02 Foreign market size index*	5
5.01 Secondary enrollment*	24	11th pillar: Business sophistication	
5.02 Tertiary enrollment*	32	11.01 Local supplier quantity	1
5.03 Quality of the educational system	31	11.02 Local supplier quality	4
5.04 Quality of math and science education	25	11.03 State of cluster development	1
5.05 Quality of management schools	77	11.04 Nature of competitive advantage	3
5.06 Internet access in schools	33	11.05 Value chain breadth	2
5.07 Local availability of research and training services	13	11.06 Control of international distribution	2
5.08 Extent of staff training	5	11.07 Production process sophistication	1
		11.08 Extent of marketing	11
		11.09 Willingness to delegate authority	16
		12th pillar: Innovation	
		12.01 Capacity for innovation	1
		12.02 Quality of scientific research institutions	15
		12.03 Company spending on R&D	2
		12.04 University-industry collaboration in R&D	20
		12.05 Gov't procurement of advanced tech products	49
		12.06 Availability of scientists and engineers	2
		12.07 Utility patents*	2

* Hard data

Note: For further details and explanation, please refer to the section "How to Read the Country/Economy Profiles" at the beginning of this chapter.