

# Japan 2011



Total: 77.42

---

## Quick facts

Population:	126.5 million
Population growth:	-0.28 %
Unemployment rate:	5 %
GDP:	4310 billion \$
GDP growth rate:	3.9 %
GDP per capita:	34000 \$

## Political Freedom

---

### Free and Fair Elections : 9.64

Elections in Japan are generally free and fair. Parliamentary elections are held for each of the Houses of Representatives and of Councillors. Election terms for members of the House of Representatives are four years, whereas for the House of Councillors it is a six-year term. Even though political pluralism and participation are generally unrestricted, the Liberal Democratic Party (LDP) was in power for nearly 55 years until defeated by the Democratic Party of Japan (DPJ) in the 2009 elections. Japan has a very strong civic culture with are numerous civic, human rights, welfare and environmental organisations that may assemble freely and voice their opinions without restriction.

### Absence of Unconstitutional Veto Players : 8.33

In the political system of Japan there are no unconstitutional veto players of significance. All potential veto powers such as the military or influential business groups are under civilian control. Therefore, there is no potential threat to the stability and integrity of the government by external forces.

### Freedom of Press : 7.9

The press in Japan is free and unrestricted. Most print media and broadcasting stations are privately owned. The only obstacle to freedom of the press in Japan is the kisha kurabu, or press clubs. To ensure news coverage is homogeneous, these clubs foster relations between politicians, bureaucrats and media representatives. In exchange for direct access to politicians, in political reportage journalists practice self-censorship. Therefore, the ability of the media to pressure politicians into greater transparency and accountability is somewhat constrained. The use of the internet is free and unrestricted. In their 2010 Index, Reporters Without Borders ranked Japan as position 11 out of 178.

## Rule of Law

---

### **Independence of the Judiciary : 7.83**

The judiciary is independent from external pressure. The judicial structure in Japan consists of several levels, and judges are impartial. Trial by jury is unknown in the Japanese legal system.

### **Corruption : 7.8**

The "iron triangle" of LDP, bureaucrats, and big business was the root of Japan's huge post-war economic success, but also has been frequently criticised as a breeding ground for corruption. Former Prime Minister Junichiro Koizumi undertook huge efforts, to only limited success, to breach the strong ties between politics and big business in order to break up this vicious circle. Japan is also party to the UN Convention against Corruption, but has not yet ratified it into national law. Transparency International ranked Japan in its 2010 Corruption Perceptions Index as position 17 out of 178.

### **Protection of Human Rights : 7.61**

Human rights are protected. Japan is party to all major UN conventions relating to this subject. From our liberal perspective however, one major desideratum still persists - Japan has not yet abolished the death penalty. Actually, Japan voted against the UN resolution proposing a worldwide moratorium of the death penalty.

According to Amnesty International, prison conditions do not comply with international standards. Inmates have only limited access to medical care. Pre-trial detention conditions are subject to criticism as suspects have only limited access to lawyers, leading to a higher chance of abusive interrogation methods and coerced confessions. Aside from this, the overall situation of human rights in Japan is quite good, as is reflected in our score.

## Economic Freedom

---

## **Security of Property Rights : 7.48**

Property - both real and intellectual - is well protected. The only drawback is it can be tedious and expensive to get patents and copyrights. Contracts are in general highly respected.

## **Size of Government: Expenditures, Taxes, and Enterprises : 5.89**

Government spending (which includes consumption and transfer payments) is high, equalling about 37 percent of the GDP. There is a further upward trend, since Japan has to pay for a rising social welfare cost for an ageing population.

Overall tax revenue - 28.3 percent of the GDP - consists of a rather high income tax rate (50 percent), an average corporate tax rate (41 percent), VAT, and taxes on interest and real estate.

## **Regulation of Credit, Labour, and Business : 7.56**

Starting, running, and closing a business is well regulated. It takes 23 days to start a business; to get a business license takes 15 procedures and 187 days. Bankruptcy proceedings are uncomplicated.

Labour regulations are comparably flexible. The non-salary cost of an employee is moderate, firing procedures are uncomplicated. However, regulations regarding work hours are fairly rigid.

## **Freedom to Trade Internationally : 7.38**

Japan's weighted average tariff rate was 1.2 percent in 2009. Potential obstacles to international trade include import/ export bans and restrictions, opaque regulations, state trade in some goods, and an inefficient customs administration.