

*The 2024 Annual Lecture on the Japanese Economy by Prof. Takatoshi Ito*

## **Three Challenges Facing the Japanese Economy: Demography, Debts, and Decarbonization**

October 9, 2024

Rooms 620, Geffen Hall, Columbia Business School



*Featuring:*

**Takatoshi Ito**, Professor, School of International and Public Affairs, Columbia University;  
Director, Program on Public Pension and Sovereign Funds, CJEB

*Moderator:*

**David E. Weinstein**, Director, CJEB; Carl S. Shoup Professor of the Japanese Economy,  
Columbia University

Professor Ito gave his annual lecture on the state of the Japanese economy, discussing three challenges and presenting recommendations for remedies and mitigation. Demographically, Japan has a declining population and an aging society, which can pose risks of lower potential growth rates, more social security expenditures, and an increase in generational inequity. Government debt has also increased to a level unprecedented among advanced countries, leading to higher risks of fiscal crisis and hyperinflation. Professor Ito shared his view that this places unfair burdens on younger generations. He also noted that Japan is struggling to proceed with decarbonization, lagging in transitioning to renewable energy.