



June 13th, 2019, 18:30h

Making the Most of Scarcity?

The Role of Natural Assets in Pre-WWII Japanese Economic Development

Jean-Pascal Bassino, ENS Lyon; CNRS research fellow at the French Research Institute on Japan at Maison Franco Japonaise

What role did natural assets play in the rise of living standards in industrializing nations during the 19th and 20th century? In the case of Japan, initial conditions were characterized by an exceptionally efficient use, by the international standards of the time, of very scarce natural resources, particularly in forestry and silviculture (Totman 1989; Saito 2009, 2014). In spite of their scarcity, natural assets played a critical role in the initial phase of Japanese economic transformation, in the late Tokugawa and early Meiji. In this paper, we estimate the evolution of the comprehensive wealth, the total stock of assets per capita, which includes human and natural assets, and can be regarded as the most relevant indicator of sustainable well-being (Dasgupta 2001, 2009). We devise new methods for expanding the coverage to irrigation water, certain aspects of biodiversity, fish stocks, and informal human capital. Our findings suggest that Japan experienced a rather sustainable development between the 1880s and the 1930s. We also present estimates by type of asset and by ownership and use these series for assessing the role of the different components, and changes in wealth distribution during the period 1885-1940.

Jean-Pascal Bassino (PhD in economics, habilitation in economics) is professor of economics at ENS Lyon, a national graduate school of social and hard science. He is currently on a two-year leave as CNRS research fellow at the French Research Institute on Japan at Maison Franco Japonaise (Tokyo) and visiting researcher at the Institute of Economic Research, Hitotsubashi University. His research interests include the analysis of long-term changes in living standards and inequality in Japan and Southeast Asia; recent publications include "Japan and the Great Divergence, 730-1874" (with S. Broadberry, K. Fukao, B. Gupta, and M. Takashima), *Explorations in Economic History*, 2019, and "Asia's 'little divergence' in the twentieth century: evidence from PPP-based direct estimates of GDP per capita, 1913–69" (with P. van der Eng), forthcoming in *Economic History Review*.

About:

The DIJ Business & Economics Study Group is a forum for scholars conducting research on contemporary Japan. Meetings are open to speakers from all disciplines related to economics and business studies. Participation is open to all. Registration is not necessary but appreciated, online at www.dijtokyo.org or via heckel@dijtokyo.org.

Venue:

German Institute for Japanese Studies (DIJ)
Jōchi Kioizaka Bldg. 2F, 7-1 Kioichō, Chiyoda-ku, Tokyo
102-0094; Phone: 03-3222-5077
For directions visit dijtokyo.org/access

