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Newsletter

HIGHLIGHTS OF THIS ISSUE 1

★ JETRO BANGKOK UPDATE PAGE 3

- Grand Opening of Japan Food Fair 2005 from December 8-11 at QSN
- Seminar on "Logistics Management for Entrepreneurs" in Chiang Mai
- New Japanese staff of Intellectual Property Dept. joins JETRO Bangkok

★ RECENT PUBLICATIONS PAGE 6

- Japan Spotlight, November/December 2005
- October's Japanese Business Sentiment in East Asia slightly improved
- November's Japanese Business Sentiment in East Asia mixed
- December's Japanese Business Sentiment in East Asia continued mixed

★ EVENTS IN JAPAN PAGE 9

- Six Additional Projects Selected for FY2005 Region-to-Region Program
- Japan-China Economic Conference 2005
- WTO at 10: International Conference, "Dispute Settlement, Multilateral Negotiation, Regional Integration"
- International Symposium, "Economic Integration in Asia and India: What is the Best Way of Regional Cooperation?"
- JETRO Investment Mission 2005, Business Partnering, Seminars & Tours for Those Interested in Investing in Japan
- Eighth APEC SME Business Network Promotion Forum



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HIGHLIGHTS OF THIS ISSUE 2

★ WHAT'S NEW ON THE NET PAGE 11

- English Summary of 2005 JETRO White Paper available at the Web
- Retail Market Added to JETRO's "Attractive Sectors" Series
- New "10 Advantages to Investing in Japan" Booklet Now Available
- ♦♦INVEST JAPAN No.11, Winter 2005♦♦
- ♦♦Japan Economic Monthly vol. 18, September 2005♦♦

★ EXPLORING JAPAN PAGE 13

- The Article of "The Effect of the Baby Boomer Generation on Japan" by Mr. YOSHIDA Kazuo, a professor at the Graduate School of Economics, Kyoto University, released in the Japan Spotlight of November/December 2005
- The Article of "What Kind of Culture Will Japan's Beatles Generation Create in Their Old Age?" by Mr. SEKIZAWA Hidehiko, a professor at Tokyo Keizai University and an executive fellow of the Hakuhodo Institute of Life and Living, released in the Japan Spotlight of November/December 2005

J E T R O B a n g k o k U p d a t e

1. Japan Food Fair 2005 from 8-11 December 2005 at Queen Sirikit National Convention Center

- Grand Opening of the Fair was presided over by
H. E. Khunying Sudarat Keyuraphan, Minister of Agriculture and Cooperatives of Royal Thai Government
H.E. Mr. Issui MIURA, Vice-Minister of Ministry of Agriculture, Forestry and Fisheries of Japan
H. E. Mr. Hideki KOBAYASHI, Ambassador, Embassy of Japan in Thailand
Mr. Atsuo KURODA, President of JETRO Bangkok
- The Fair attracted almost 30,000 visitors including businessmen for the whole 4 days.





2. Seminar on “Logistics Management for Entrepreneurs” in Chiang Mai

JETRO in cooperation with Thai National Shippers' Council (TNSC) invited Mr. Koichi NAKAGAWA, CEO of ABEL Corporation to present “Challenges for Developing Supply Chain Management” as part of Seminar on “Logistics Management for Entrepreneurs” in Chiang Mai in December 2005. Mr. Nakagawa's presentation included 1) Development from Physical Distribution to SCM 2) SCM in retailing and manufacturing industries 3) Issues in SCM.



3. New Japanese staff of Intellectual Property Dept. joins JETRO Bangkok

JETRO Bangkok introduced Mr. Hitoshi AMANO, replacing Mr. Matsuo, to serve as Director of Intellectual Property Department. The department undertakes several activities regarding intellectual property rights (IPR), i.e. patent, petty patent, utility model, industrial design, trademark, copyright, geographical indication, protection of layout design of semiconductor, protection of new varieties of plants, traditional knowledge, trade secret, etc., within ASEAN countries.

After graduating Master Degree in Material Engineering, Tohoku University at Miyagi, Japan, he entered Japan Patent Office, Ministry of Economy Trade and Industry in Japan in 1991. Prior to joining JETRO Bangkok, he was Assistant Director, International Affairs Division and Examiner, Electrochemistry Div., Third Patent Examination Dept.



Recent Publications

Magazines:

1. Japan Spotlight, November/December 2005

Publisher's Note	~ Decreasing Population, Increasing Profits http://www.jef.or.jp/journal/jef_contents_free.asp?c=1472
Topics	~ Koizumi-Led LDP Logs Historic General Election Win - Hordes of Post-Postal Privatization Issues Ahead - http://www.jef.or.jp/journal/jef_contents_free.asp?c=1469 ~ Japan's Land Prices Show Signs of a Rebound - Foreign Capital Flowing Rapidly Into Japan - http://www.jef.or.jp/journal/jef_contents_free.asp?c=1470 ~ Broadcast / Telecom "Marriage" Gaining Steam -Capital Linkups, TV Program Delivery via Internet on the Rise - http://www.jef.or.jp/journal/jef_contents_free.asp?c=1471
Cover Story	~ Japan's Baby Boomers and the Year 2007 Problem http://www.jef.or.jp/journal/jef_contents_free.asp?c=1448 ~ The Effect of the Baby Boomer Generation on Japan http://www.jef.or.jp/journal/jef_contents_free.asp?c=1449 ~ Mass Retirement May Lead to Loss of Technical Skills - Companies Agonize over the Transmission of Expertise - http://www.jef.or.jp/journal/jef_contents_free.asp?c=1450 ~ The Impact of the Baby Boomers' Retirement in Japan http://www.jef.or.jp/journal/jef_contents_free.asp?c=1451 ~ What Kind of Culture Will Japan's Beatles Generation Create in Their Old Age? http://www.jef.or.jp/journal/jef_contents_free.asp?c=1452 ~ Will the Pensioner Baby Boomers and the Part-Time "Junior" Generation Bankrupt Japan? http://www.jef.or.jp/journal/jef_contents_free.asp?c=1453
Business Profiles	~ Japan's Ultimate "Eco-car" to Be Commercialized in 10 Years -Interview with Fukui Takeo, President and CEO, Honda - http://www.jef.or.jp/journal/jef_contents_free.asp?c=1454
Special Report	~ Invigorating The Economy O,† An Aging Society With A Falling Birthrate http://www.jef.or.jp/journal/jef_contents_free.asp?c=1457 ~ How To Make The Best Use Of Globalization http://www.jef.or.jp/journal/jef_contents_free.asp?c=1458
Business Profiles	~ Japan in the Stage of Mastering M&As -Interview with Kaneko Masashi, Chairman, Nikko Cordial Group- http://www.jef.or.jp/journal/jef_contents_free.asp?c=1455
Japan's ODA	~ Promotion of the "Japan ODA Model"; The Successful Experience of Japan's Economic Cooperation http://www.jef.or.jp/journal/jef_contents_free.asp?c=1459



Japanese Mind	~ Noh :A Mirror of the Spirit http://www.jef.or.jp/journal/jef_contents_free.asp?c=1460
Viewpoints	~ The Dissolution of Parliament and Japan's Bicameral System http://www.jef.or.jp/journal/jef_contents_free.asp?c=1461
Feature	~ Research Performance Evaluation -The Different Approaches Taken in the United States, the United Kingdom and Japan- http://www.jef.or.jp/journal/jef_contents_free.asp?c=1462
Views from Asia	~ Two Major Foreign Policy Issues in Japanese Politics http://www.jef.or.jp/journal/jef_contents_free.asp?c=1463
Business Profiles	~ From Subcontractor to Innovator -Interview with Okano Masayuki, President, Okano Kogyo Co., Ltd.- http://www.jef.or.jp/journal/jef_contents_free.asp?c=1456
Special Article	~ Japanese Civilization (Part 23) -The Spread of Cotton to the Far East- http://www.jef.or.jp/journal/jef_contents_free.asp?c=1464
Finance	~ Mounting Expectations for Progress on Structural Reforms -The Heavy Responsibility that Comes with the Public Trust- http://www.jef.or.jp/journal/jef_contents_free.asp?c=1465
Culture	~ Classic Rakugo Art Finds a New Audience http://www.jef.or.jp/journal/jef_contents_free.asp?c=1466
Keeping up with Times	~ Will the Lay Judge System Change the Japanese? http://www.jef.or.jp/journal/jef_contents_free.asp?c=1467
Gallery	~ Kutani Ware: World-Famous Pottery http://www.jef.or.jp/journal/jef_contents_free.asp?c=1468



1. Six Additional Projects Selected for FY2005 Region-to-Region Program

JETRO has selected six additional projects for inclusion in its FY2005 Region-to-Region Initiatives Program, which now has 29 projects in total. In selecting the new projects, JETRO consulted a third party advisory committee, made up of regional economic development experts, to help screen the necessity, feasibility and effectiveness of potential projects.

Newly selected projects/regions are:

- 1) **Business tie-ups in machinery and parts production:** Hitachi city, Ibaraki Prefecture/Suzhou, China
- 2) **Business tie-ups in furniture and interior design/production:** Kanto region/Denmark
- 3) **Technology exchange and business tie-ups in digital content (e.g. animation, games):** Shizuoka city, Shizuoka Prefecture/Kwanju, South Korea
- 4) **Technical tie-ups for utilization and market development of woody biomass:** Shimane Prefecture/Austria
- 5) **Technical exchange in designing elderly-care and assistive technology devices:** Hiroshima Prefecture/ Copenhagen, Denmark
- 6) **Technical exchange involving Kuma Shochu (distilled liquor made from rice) and Scotch whiskey:** Hitoyoshi city, Kumamoto Prefecture/Scotland and London, UK.

The Region-to-Region Initiatives Program aims at invigorating regional economies in Japan and abroad through the program's two-way industrial exchange. JETRO works closely with each region to help them achieve their objectives, by offering consultations, conducting surveys and dispatching/accepting delegations for industrial exchange. The program has deployed 270 projects since its launch in 1996.

For more information, please visit:

www.jetro.go.jp/iv/e/region

or contact:

*Ms. Junko Ishii or Mr. Yukihiro Uehara
Interregional Activities Division, Foreign
Business Department
E-mail: FBC@jetro.go.jp*



2. Japan-China Economic Conference 2005

The Japan-China Economic Conference 2005, inviting key representatives from both China and Japan to discuss high priority issues between the two economies, took place on October 25th and 26th at the Osaka International Convention Center. The conference, sponsored by Japan's Ministry of Economy, Trade and Industry, JETRO and other economic/industrial organizations, has been held every year since 2001.

This year's conference featured a panel discussion on the future of the Japan-China relationship, as well as speeches and separate sessions on topics related to business between Japan and China, including: M&As and new investments; analysis of current business environments in China and Japan; energy saving policies and growing opportunities in the environment market.

JETRO Chairman Osamu Watanabe spoke at the conference, together with top business leaders and experts from public organizations.

For more information, please visit:

<http://www.congre.co.jp/jcec2005/>

or contact:

Ms. Michiko Hori, Ms. Agnes Liu or Mr. Koichi Tanaka

*Japan-China Economic Conference Secretariat
(c/o Congress Corporation)*

E-mail: jcec@congre.co.jp



3. WTO at 10: International Conference, "Dispute Settlement, Multilateral Negotiation, Regional Integration"

To commemorate the 10th anniversary of the WTO, the international conference entitled "Dispute Settlement, Multilateral Negotiation, Regional Integration" was held from October 25th to the 27th at the United Nations University in Tokyo.

The conference invited high profile WTO officials and leading academics from around the world as speakers and panelists to address WTO and other international trade-related issues.

Conference details are available on the Institute for International Studies and Training

<http://www.iist.or.jp/info/wto10/index-e.html>

E-mail: fvbf6745@infoweb.ne.jp

What's new on the net?

1. English Summary of 2005 JETRO White Paper available at the Web

An English summary of the 2005 JETRO White Paper on International Trade and Foreign Direct Investment will be available online at: http://www.jetro.go.jp/en/stats/white_paper/ this November.



The paper analyzes the world economy and key regional trade and foreign direct investment trends in 2004. The 2005 White Paper also looks at growth strategies Japanese firms can employ to compete in global markets and examines the progress (and prospects) of the East Asian free business zone.

*For more information, please contact:
Ms. Azusa Kanetsuki
International Economic Research Division
E-mail: ERA@jetro.go.jp*

2. Retail Market Added to JETRO's "Attractive Sectors" Series

JETRO recently added Japan's retail market to its "Attractive Sectors" series, an in-depth survey of Japan's key sectors that includes competitive advantages, target areas as well as government policy initiatives for each sector; other industries in the series include: ICT, biotechnology, medical care and the environment. Reports are available online at: <http://www.jetro.go.jp/en/market/attract/>



The newly added report examines Japan's fast growing retail sector—the world's second largest—and includes a market overview, business prospects in the sector, case studies of firms that have found success with Japan's consumers as well as other features of the market that makes Japan's retail sector one of the world's most vibrant.

3. New "10 Advantages to Investing in Japan" Booklet Now Available

The latest version of JETRO's "10 Advantages to Investing in Japan" booklet is now available online at: <http://www.jetro.go.jp/en/invest/whyjapan/adv>

antage/

The booklet includes recent economic figures, updates on changes in commercial/economic regulations, information on business/living environments in Japan, as well as other facts highlighting the attractive features of Japan as an investment destination.



4. ♦♦INVEST JAPAN No.11, Winter 2005♦♦



Special Feature:

Securitization of Real Estate Developing into Big, Vibrant Market

Message to Our Readers:

Debbie Howard, President of the American Chamber of Commerce in Japan

Investment Update:

Insider's View on Japanese Market Transitions

People in Action:

Alessandra Bettari, President and Representative Director of Furla Japan Co., Ltd.

Japanese Market Close-up:

Biomass Energy

Regional News:

Okinawa, Japan's Southwestern-most Prefecture, Plans to Become an IT Hub in the Asia-Pacific Region

Tales of the Pioneering Days:

Pfizer

Full articles are available at:

<http://www.jetro.go.jp/en/invest/newsroom/newsletter.html>

Biotechnology & Healthcare
IT, Electronics & Telecommunications
Business Environment
JAPAN

Industrial Reports:	Networked Home Appliances in Japan
Economic Indexes (1):	Gaps Seen in Summer Bonuses of Large and Smaller Companies
Economic Indexes (2):	Flow of Funds Accounts Statistics: Household Finances Channeled to Risk Money?

<http://www.jetro.go.jp/en/market/trend/index.html#jem>



Exploring Japan

1) The following is the article of "The Effect of the Baby Boomer Generation on Japan" by Mr. YOSHIDA Kazuo released in the Japan Spotlight of November/December 2005

In 2007, Japan's economy and society will be at an important crossroads, which is known as the Year 2007 problem. The problems that will occur in 2007 are of many different sorts. The first is the issue of population decrease. In 2007, it is estimated that the population of Japan will start declining for the first time ever, and some experts predict that the decline will start even before 2007. There is growing concern about the negative impact on Japan's economic growth and the severe financial problems caused by the aging of the population. Also in 2007, the number of university applicants will fall below the numbers the universities were designed to accept, bringing a new era where everyone who takes an entrance examination can get in. While this will moderate the traditional "exam wars," there are also fear that universities could go bankrupt. These problems all derive from the "baby bust" problem, reflected in the current low birthrate of 1.29 children per woman.

Another Year 2007 problem is the retirement of the baby boomers. In 2007, the bulge in the population known as the *Dankai no Sedai* or the baby boomer generation, born from 1947 to 1949, will begin to reach retirement age. The fear is that this will have a major economic impact on labor supply. Additionally, calls are being made for reform of the employment system itself.

In 1945, Japan was defeated in World War II, and large numbers of ex-soldiers returned to civilian life, got married and had children. As a result, a spike in the population occurred between 1947 and 1949. This baby boomer generation accounts for about 5% of Japan's current total population of 128 million and has had a large impact in every area it has touched. The number of births exceeded 2.6 million a year between 1947 and 1949, with the peak in 1949 at 2,697,000 resulting in a total of 8 million children born during that period. The size of this number becomes apparent when it is compared with the 1.1 million born in 2004.

Since the emergence of the baby boomer generation, Japan's economy and society have changed significantly to accommodate them as they grew up. The first issue they faced was a food crisis. Many

struggled to survive because food was in extremely short supply. As they finally came out of their state of infancy, Japan's economy started to recover with the special procurement boom due to the Korean War. The Japanese economy started achieving the miraculous growth that turned the country into an economic superpower.

The first wave of the baby boomers turned 6 years old and entered elementary school in 1953, which brought about overcrowding in the classroom. Each class was packed with between 55 and 60 pupils, and each grade level had around 10 classes every school. The number of school buildings itself was insufficient and there were many "prefab" buildings. When



Photo : The Mainichi Newspapers

The baby boomers brought about overcrowding in the classrooms

they went on to junior high school, the baby boomers were still forced into larger sized classes, and what awaited them at last was the "examination war." This was a time of intense competition to get into high schools and universities, which were still insufficient for the numbers of applicants. It was often said that those who passed the university entrance exams only had four hours of sleep a night, while those who failed slept for five hours. When the baby boomers eventually got to university, it was a battleground. Campuses were dominated by an extreme left-wing student group known as *Zenkyoto* (The All-Campus Joint Struggle Committee) shouting for revolution and railing against imperialism. There were frequent violent strikes and campuses were locked-out. This was linked to the peak of the peace



Demonstration by Zenkyoto

Photo : THE YOMIURI SHIMBUN

movement against the Vietnam War and the automatic extension of the Japan-US Security Treaty, whose 10-year term was coming up for renewal in 1970.

As a result of Japan's rapid growth, finding employment was not really a problem because of labor shortages. The period from the late 60s to the early 70s, when the baby boomers were entering the business world, was the so-called "Izanagi Boom," the longest period of economic expansion after the war. The fact that the baby boomers supplied plentiful labor was one factor in the advance of the Japanese economy, because they helped to support the Japanese-style management system. In other words, companies competed for fresh graduates and hired them in large numbers so that they could smoothly operate their lifetime employment and promotion-by-seniority systems. The structure of the whole Japanese population was consistent with the pyramid-like employee age structure required by the Japanese-style management system, and this consistency efficiently fostered its advance.

The baby boomers also greatly changed how marriage is perceived. Prior to the baby boomer generation, husbands were usually a few years older than their wives. However, the baby boomers had to find partners who were closer to their own age because of their large numbers. Consequently, subtle changes occurred in the relationships between husbands and wives at the home. The previous age gap between the partners had played an important role in creating an order between the couple. The new social phenomenon where marriage was a sort of extension of friendship, created "new families" where the husband was no longer the leader and the wife the follower. New industries such as special restaurants targeting these families sprang up in response.

While Japan's economy experienced some major ups and downs, such as the twin oil shocks of 1973 and 1979 and the strong yen recession in 1985, Japan maintained a high economic growth rate from a global perspective and the baby boomers steadily advanced in their career within the lifetime employment and promotion-by-seniority systems that characterized the Japanese-style management system. When they started to have children, known as the "baby boomer juniors," the demand for housing increased. This led to the beginning of the bubble economy (of course, this was not the only reason) and resulted in steady corporate growth and asset accumulation.

This was followed by the long economic slump of the 90's, caused by the bursting of the bubble economy. The over-investment, over-employment and excessive indebtedness incurred during the bubble economy period forced companies to make painful adjustments. Because it was initially thought that these adjustments would not take long, Japanese companies tried to maintain their Japanese-style management systems. However, under the prolonged stagnation, companies' profits failed to improve as the average age of employees became disproportionately high, since companies did not hire new employees during the economic slump and most of the employees were the baby boomers. This led to the inability of the Japan-style management system. As a result, many companies embarked on fundamental reforms. Many reviewed their seniority-based pay scales, and introduced performance-based pay systems and function-based remuneration. At the same time, overstaffing was relieved by voluntary retirement. These measures all led to a review of the lifetime employment system. The baby boomer generation was forced to accept the bitter results of the reform at a time during the period when the Japanese style management was expected to offer them the greatest benefits.

In the case of the Year 2007 problem, the vast numbers of employees concurrently reaching retirement age brings difficulties for both employers and employees. On the employer side, the situation leads to shortages of skilled labor. While Japan's economy is finally starting to show signs of steady recovery as a result of the corporate reforms, labor shortages are predicted as the number of young workers declines because of the plunging birthrate. On the employee side, the eligibility age for a public pension is being gradually raised and people are being forced to work to obtain income until they can receive their full pensions. As part of these trends, moves have begun toward formulating reemployment systems to utilize those who have passed the retirement age. This is resulting in a system of senior-age employment reflecting the age of eligibility for pensions.

An even bigger issue is the financial problem facing the nation. After 2010, the baby boomer generation will become pensioners. In 2004, the "macroeconomic slide" method was introduced in recognition of the fact that employee pensions were reaching the limits of sustainability. The premiums for pensions gradually rose but an upper limit was set and a sliding scale applied to keep annual pensions in line with this. As a result, the pension replacement ratio for wage earners' incomes was reduced to 50%. In "Japan's 21st Century Vision," the social insurance benefit costs, which currently stand at 15.4% of GDP, are predicted to rise to 17.2% by 2015, and by 2020 when the baby boomers are in their 70s, are expected to reach 18.4%, climbing to 20.5% by 2030. The main reason for this is an increase in medical and nursing services. At any rate, social insurance costs are rapidly climbing along with the aging of the baby boomer generation, and a radical review of the system is required. Currently, Japan's finances depend on substantial borrowings, and an increase in social insurance benefits for the baby boomer generation can be expected to worsen Japan's financial situation. The government's policy is to restore the primary balance of the nation's finances by the early 2010s, and to

implement financial reforms by the time the baby boomers draw their pensions. The aging of the baby boomer generation will require fundamental reform of Japan's finances.

Yoshida Kazuo is a professor at the Graduate School of Economics, Kyoto University

2) The following is the article of "What Kind of Culture Will Japan's Beatles Generation Create in Their Old Age?" by Mr. SEKIZAWA Hidehiko released in the Japan Spotlight of November/December 2005

The Beatles performed five times at the Budokan in central Tokyo from June 30 to July 2, 1966. Most of the 30,000 fans in the audience were members of Japan's baby boomer generation. Whether these people actually listened to the Beatles' singing is another matter, because the screaming drowned out any music emanating from the stage. I was unable to hear any of the Beatles' songs from my seat in front row of the second level at their first performance on June 30.

Times flies. Those baby boomers who went into a frenzy over the four lads from Liverpool have reached retirement age. What kind of "silver culture" will they create in their old age? Taking a walk around the streets of downtown Tokyo will help to answer this question.

For example, let's go down to the Oazo complex in the redeveloped area in front of Tokyo Station. The building, constructed on the site where the old National Railways Building used to stand before its privatization, house a huge bookshop with 1.2 million books, a hotel, 26 restaurants and six shops selling all kinds of goods. The glass dome that covers the space between this building and the two adjacent ones has become a popular place for the baby boomer couples to go for stroll. The Oazo complex is located near a business area where the offices of many major corporations can be found; lots of businessmen visit, and it is always crowded.



Japan's baby boomer generation was crazy about the Beatles (Photo taken at the Budokan in 1966)



It is not unusual to see middle-aged or older women enjoying each other's company in the area around Roppongi Hills, where so many of Tokyo's IT companies are located. In Japan, married couples do not always go out shopping together. The men will often go out for a drink with other men, and it is not at all uncommon for the women to go shopping with their female friends. Women of the baby boomer generation have high incomes and a lot of free time, so they often go out with friends to popular destinations in the city.

These women were in their 20s in the 1970s when famous fashion and lifestyle magazines such as *anan* and *non-no* first appeared. The baby boomer generation has grown older alongside such magazines.

Next, let's take a stroll through Ginza, an area with over a century of history. In front of JR Yurakucho Station on the Yamanote Line, which runs in a circle around central Tokyo, there is a large discount store. If you sleep inside, you will come across the male baby boomers standing in front of large-screen TVs, pondering over whether to buy a plasma or a liquid crystal screen. Japan's economy started to pick up last year, and the purchases of such large-screen TVs by middle-aged or older men has greatly contributed to this recovery.

If you walk from Yurakucho toward the center of Ginza, you will no doubt bump into middle-aged

men looking in the window of a second-hand camera shop. They will be dressed casually, wearing a hat to avoid the sun, slinging a small bag over the shoulder and wearing sneakers. What are these men so immediately identifiable as being retired with time on their hands — looking at in the shop window? They are gazing at cameras by Leica, Nikon or Canon. While their wives are buying expensive French or Italian handbags in Ginza, these men are struggling to decide whether or not a retired man should spend more than 100,000 yen on a second-hand camera.

Just a few doors down from the camera shop, there is a store that has a long tradition of selling model railway sets. Here we can find middle-aged men returning to their boyhood days as they chat with shop attendants who seem to know everything about model trains. These “boys” of advanced age appear to be more interested in the model locomotives, electric trains and passenger carriages, which are more expensive than the Leicas in the camera shop window.

The baby boomers are already changing the face of Japanese consumer society. Let us take a look at how this change is occurring in each area.

First of all, at the fashion market, a department store in Shinjuku has already had success with a new sales initiative. For women whose figures become less shapely with advancing age, the store has suggested wearing layered garments, an idea that seems to appeal to middle-aged female customers. Also, while it is not quite as strong a tendency as in the past, it has been the custom that older women should not wear brightly colored clothing. Women of the baby boomer generation are also challenging this taboo and, rather than go out to shop caring about other people's eyes, they buy such items online.

In the food category, with Japan's aging society, health-conscious products are selling well. For example, the baby boomer generation consumes large quantities of new types of yoghurt that increase the amount of friendly bacteria in the digestive system. Japanese traditional cuisine is the source of many effective nutrients for maintaining the health of middle-aged and older people, but a large number of the baby boomers prefer to eat meat dishes. Food manufacturers are now trying to create such products as frozen hamburger-style patties from sardines rich in good cholesterol. Many traditional Japanese cakes are made from soy beans, and some patisseries are now using those techniques to produce Western-style cakes.

For the already-retired baby boomer generation who now have plenty of leisure time, trips are a particularly attractive option. The baby boomers often visit hot springs in Japan. Europe and Asia are popular destinations for overseas trips. They visit art museums and go to the opera in Europe, and spend their time relaxing at beach resorts in Southeast Asia. Those who go to China and South Korea are interested in the local history and culture. Just as their European counterparts studied Latin, many Japanese baby boomers studied Chinese classics and are interested in visiting places associated with Confucius and viewing the scenery described by poets such as Li Po. In the case of South Korea, in addition to the cultural heritage of the Li Dynasty, an increasing number of travelers are visiting completely new tourist spots. The South Korean TV drama series, *Winter Sonata*, which was broadcast by NHK (national broadcasting corporation) was immensely popular among the female baby boomers. The desire to walk in the same parks and streets as the young lovers in the drama takes them all the way to Seoul.

In Japan, the Internet penetration rate among middle-aged and older people is very high, and Internet access through mobile phones is a widely spread feature. These days it is not at all unusual for women in their 60s and 70s to take photographs of their grandchildren with cell phones and send them to friends of the same age.

We should also note that Japanese can not meet their grandchildren as much as they did in the past, because their children are getting married later in life. An increasing number of middle-aged and older people seek to fill this gap by keeping pets. There are now approximately 20 million dogs and cats in Japan. The figure actually exceeds the total number of children in the country from infant to junior-high-school age.

The love and attention that older people would normally direct toward their grandchildren are now shifting to pets, so while the number of children may be decreased, the number of beloved objects that fill the gap has not. The baby boomer generation now spends time walking the dog rather than playing with grandchildren in the park. Needless to say, sales of pet-related goods are experiencing a strong upward trend.

If looked at in terms of days rather than years, the average lifespan for people in Japan is approximately 30,000 days. For Japanese, life can be seen as a "30,000 day-long great adventure," and we can divide those days into three stages. The first stage of 7,500 days (approximately 20.5 years) represents the period in which they are educated and grow to become adults. The second stage of 15,000 days (approximately 41 years) is when they are busy fulfilling their social roles in the workplace and the family. In the third and final stage of 7,500 days or more, retirement and liberation from social obligations gives them time to do whatever they like. Japan's rapidly aging society will surely produce a model for the "silver culture" of the future.

Sekizawa Hidehiko is a professor of Tokyo Keizai University and an executive fellow of the Hakuhodo Institute of Life and Living

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