

Do not write your name on the assignment. Write your name only on the back of this sheet of paper and staple your answers on the front of this sheet of paper. Your assignment will be typed, except graphs can be drawn by hand and mathematical equations can be done by hand. Failure to follow these directions will cost you 1 point on the assignment and failure to type it will cost you 10 points.

1) (30 points) Some people say the Keiretsu are the main reason for Japan's post World War II boom, while others say they are the main reason for the past decade of sluggish economy.

Explain both sides of the argument.

2) (20 points) Do you think MITI is an organization that a developing country may want to create their own version of? Explain your logic.

3) (20 points) In the recent Japanese election, the party who won the election said that they plan to privatize the Post Office. Is this wise? Explain your logic.

4) (30 points) What is the greatest weakness of the Japanese economy? Why is that a big problem? What would you do to correct that problem? How would that work?