

# Abenomics' Impact on the Global Economy

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## Cover lead

Following our introduction of Abenomics in the last issue, we now focus on its impact upon the international economy. Japan's new macropolicies have so far been well received by the rest of the world. Economists also value them generally as a positive contribution to global economic growth. According to economic theory, under a so-called open economy where goods and capital move freely all over the world, exchange rates will be affected by macropolicies through movements in interest rates. Thus exchange rates would be a key channel for any given country's macropolicies to affect other national economies.

In this issue, we look at predictions of future exchange rate movements, which could be affected by numerous background factors including macropolicies, and then assess those exchange rate movements' impact upon the international economy. Thus, following the views of two Japanese experts (Koji Sakuma and Kengo Suzuki) on future exchange rates, Dr. Kazumasa Oguro and Dr. Long Ke, two of our editorial committee members, present their analyses of how the

yen's movements are affecting the Japanese economy and the Asian economy respectively. Two other experts on the ASEAN economies, Dr. Hank Lim and Dr. Josef Yap, follow them in analyzing their impact on the ASEAN members.

These analyses generally reconfirm the positive side of Abenomics, and I therefore believe that Abenomics is contributing to overall economic growth in Asia.

In addition to the cover story, two of our female staff, Mayumi Inoue and Serina Adachi, introduce recent JEF activities in their articles, which reveal what issues JEF is currently interested in.

Finally, I would like to express my appreciation to Sadaaki Numata, former Japanese ambassador to Canada and now chairman of The English-Speaking Union of Japan, for having provided an excellent article on English ability and diplomatic competence that shows how important it is for the Japanese to be able to communicate in English.

Naoyuki Haraoka, executive managing director, editor-in-chief of *Japan SPOTLIGHT*

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