

Comments and Discussions

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This paper explains the current important issues regarding the Japanese monetary policy and financial system. Regarding monetary policy issues, this paper discusses the non-traditional policy tools that the Bank of Japan has employed to struggle with the deflation. Regarding financial system issues, the paper first points out the fundamental problems that Japanese financial system has. Then, the author investigates the details of several important financial system policies since the late 1990s. The author concludes that although the Japanese financial system is quite different from that of a decade ago due to the financial reform, a satisfactory outcome has yet to be seen and there are lots of things to do.

I agree that the paper is valuable to international readers who want to know current issues that Japanese financial system has. Although I think that the author can maintain more his own opinions on these issues, I find that this paper's contribution to the literature is significant.

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