

X not V

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Flying geese

- Japanese economist Kaname Akamatsu (1930s):
“Wild geese fly in orderly ranks forming an inverse V, just as aeroplanes fly in formation.”
- Japan would lead the way. Its neighbors would follow, breaking into new industries as the goose in front graduated out of them.

GDP per capita

- In 2010, according to the IMF, Japan's income per head will be \$33,800; Taiwan's will be over \$34,700.
- **GDP per capita** (wiki)

- These incomes are converted at purchasing-power parities (PPPs)
- PPPs are based on a global survey of prices led by the World Bank in 2005.
- Calculated at market rates, Japan's per head income (\$42,300) remains far higher than Taiwan's (\$18,300)

Price comparison

- Taiwan's food costs only half as much as Japan's
- The survey's price-checkers did their best to compare like with like. Inevitably the comparisons can be contested.
- Taiwanese food may seem cheap next to Japan's *sashimi* and *fugu*. But then again, how much would you pay for stinky tofu?

However ...

- If Akamatsu's theory applies to a country's industrial mix, ..., Japan is well out in front.
- It is further along in the transition to a service economy, with industry accounting for less than a quarter of its GDP, compared with almost a third for Taiwan.