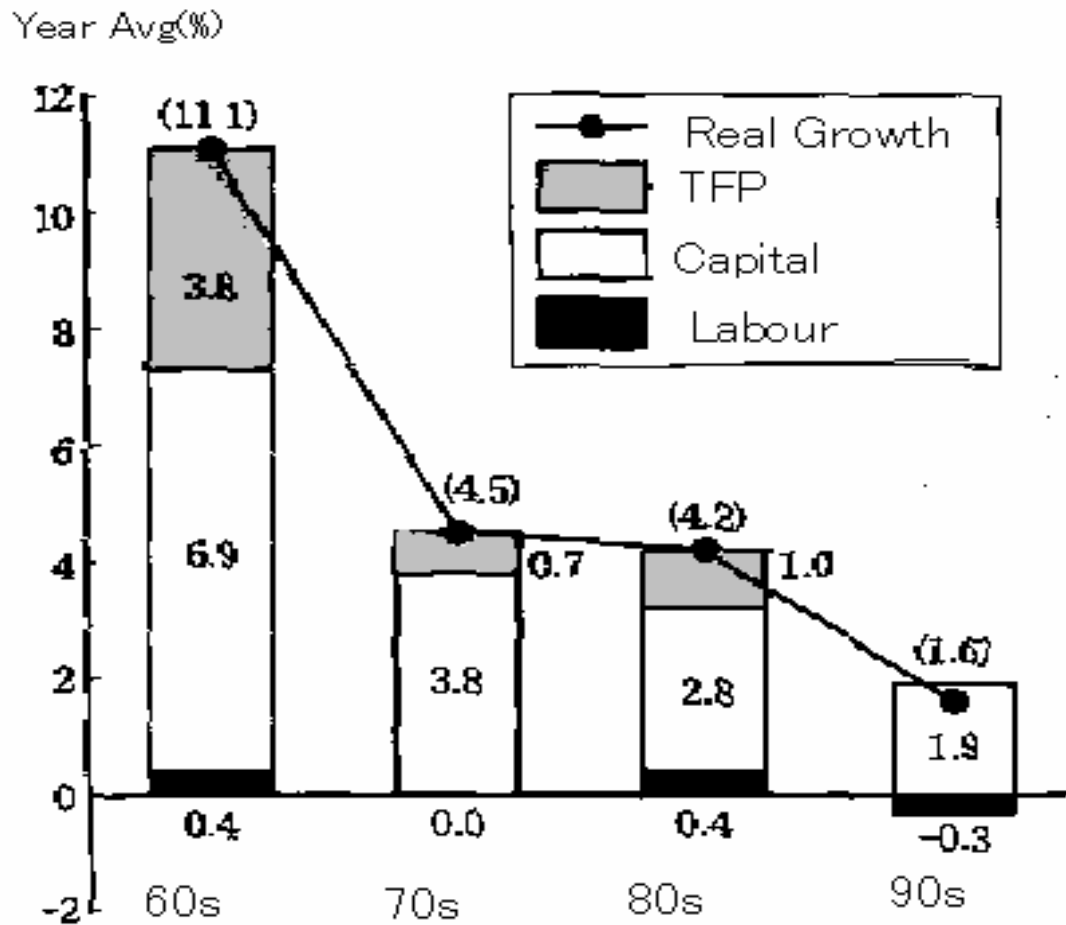


RIETI – 21st Century COE Hi-Stat Program  
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# The Role of Demand in Economic Growth

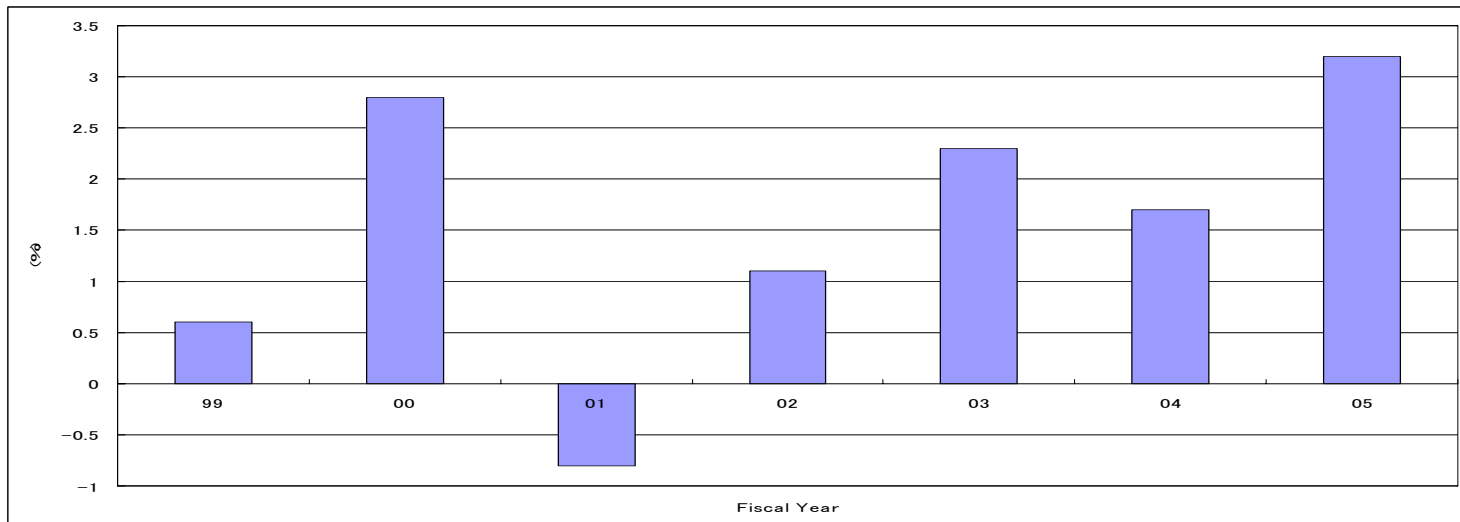
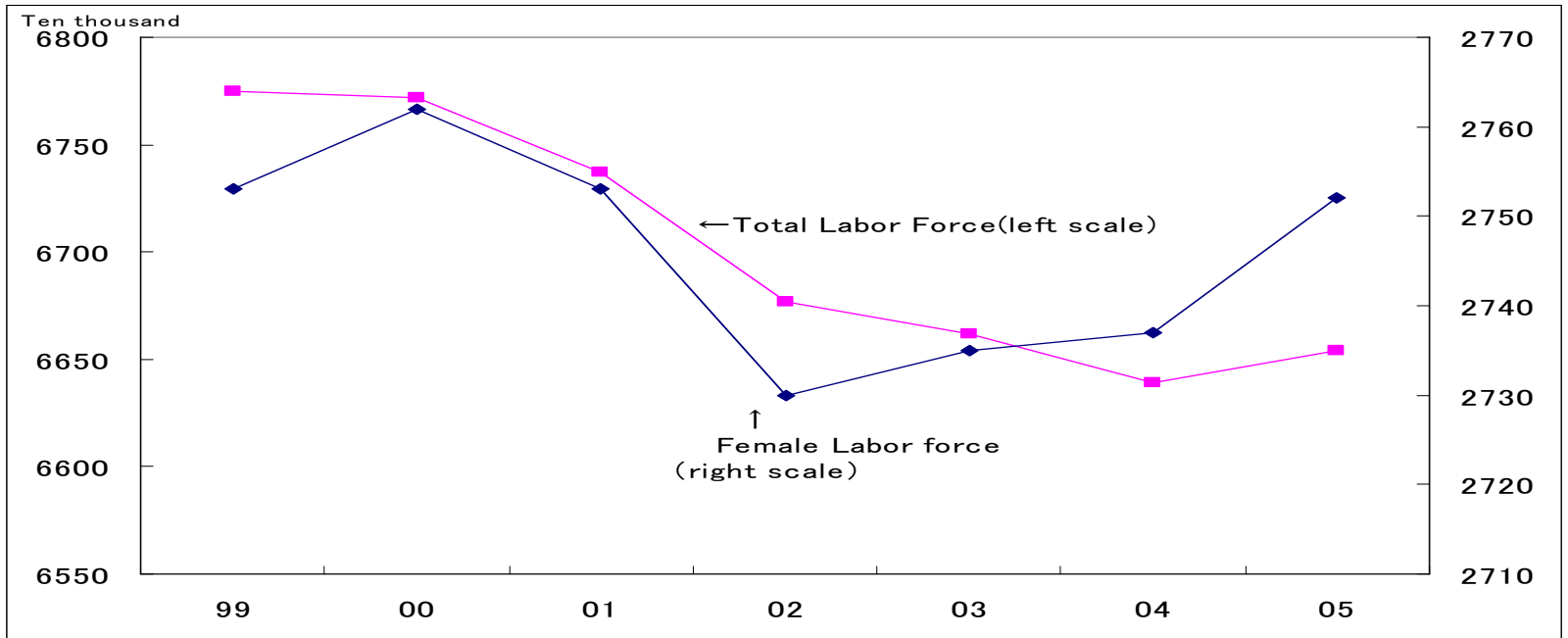
Hiroshi YOSHIKAWA  
University of Tokyo  
July 25, 2006

# Fig 1 Growth Accounting: Decomposition of GDP

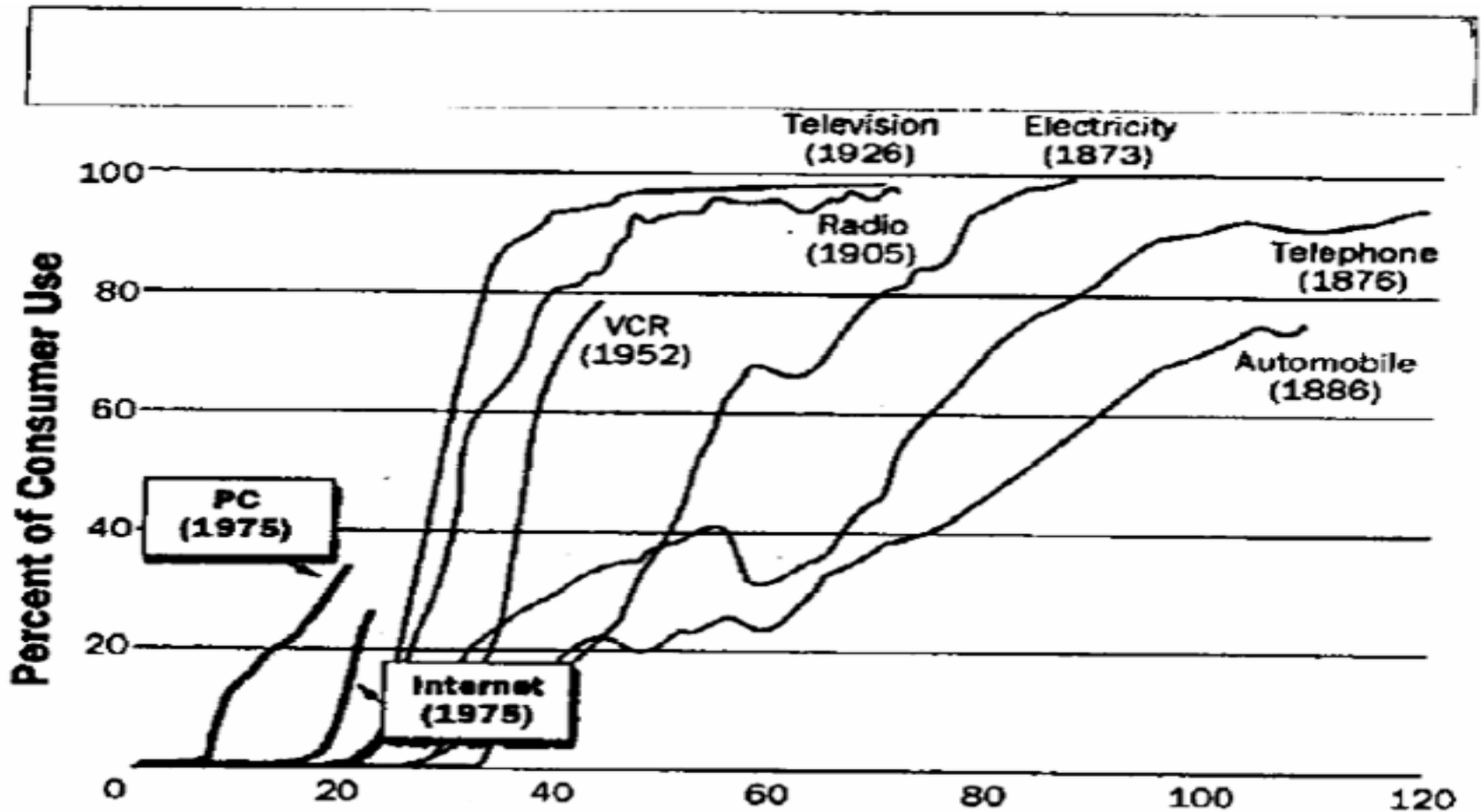


Source: METI [1998]

# Fig 2 Labor Force and Economic Growth

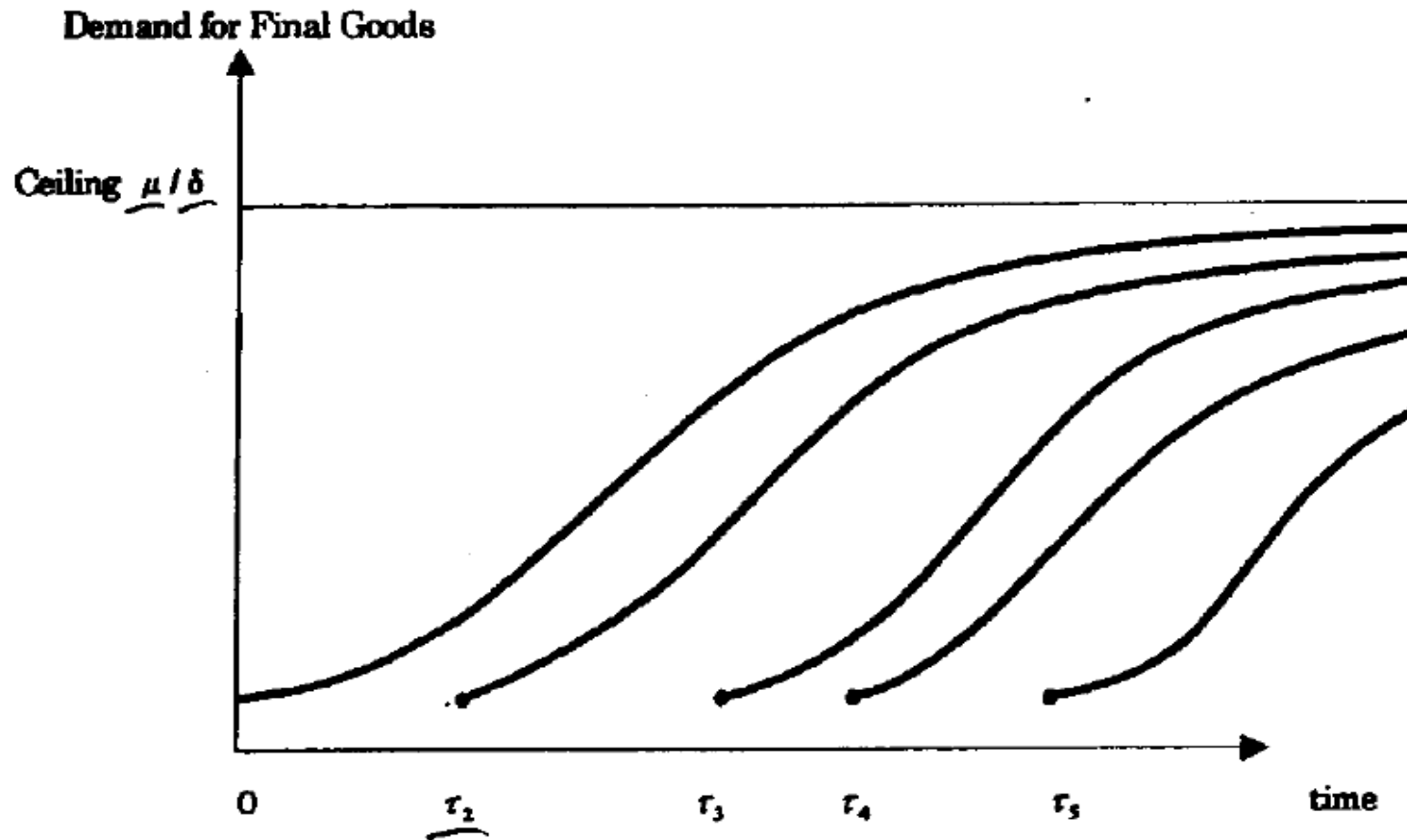


# Fig 3 Diffusion of Consumer Durables



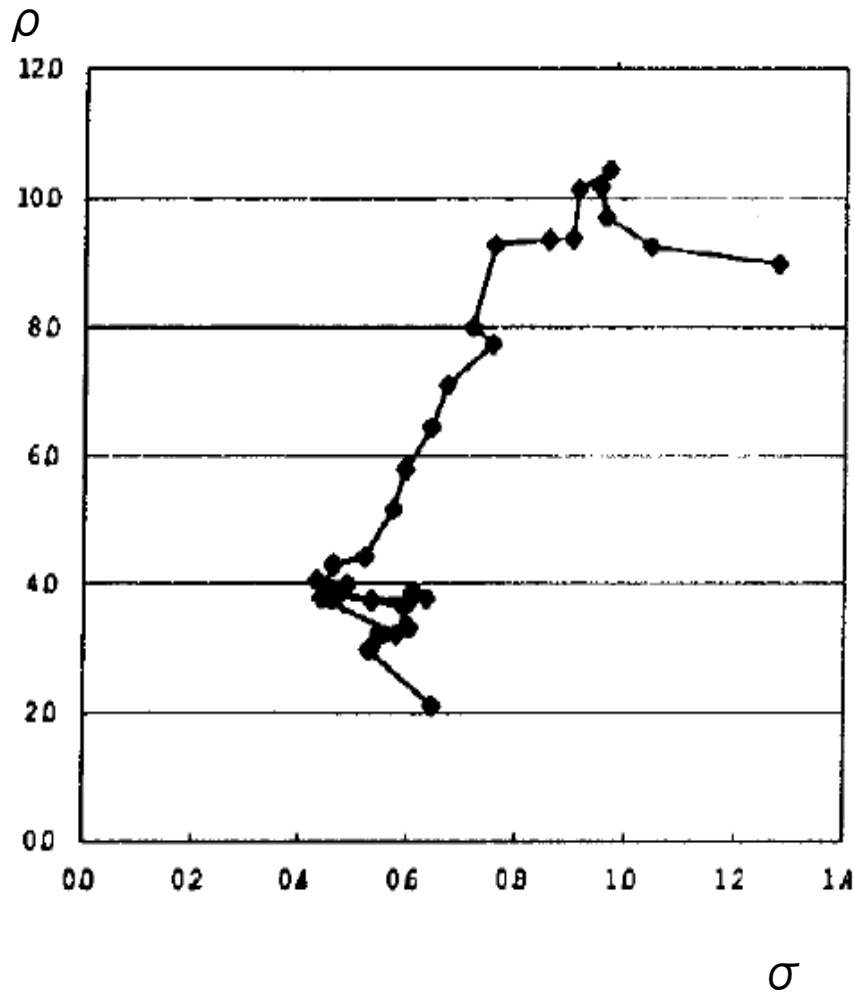
(Original Source) W. Micheal Fox and *Forbes* Magazine Bill Gates(1999)

# Fig 4 Saturation of Demand and Emergence of New Final Goods or Industries



(source) Aoki and Yoshikawa, "Demand Saturation-Creation and Economic Growth "(2002)

Fig 5 Changes in Industrial Structure and Economic Growth:  
Japan, 1955-1998



$$\sigma = \frac{\sqrt{\sum_{i=1}^n (w_i^b - w_i^t)^2}}{T} \quad \text{where } T = t_2 - t_1.$$

(source) *i.b.i.d.*