

**NISHIKAWA, TOSHIYUKI**

Professor Emeritus, Surugadai University, JAPAN

*Panel 2.5: Healthy Aging*

**Reviewing Japan's Unfinished Healthcare Reform---Its Problems and Future Directions**

The purpose of this paper is to review the current state of Japan's healthcare reform and to analyze its future directions. Japan's current healthcare system was established more than a half century ago when demographic and economic conditions were quite different. It is now outdated and dysfunctional, insufficiently meeting the needs of the coming super-aged society. With 27% of the population now over 65 and with financial difficulties caused by stagnant economic growth, Japan needs an entirely different approach as well as structural reform. The paper is going to evaluate what the Abe government has done since it took power in December 2012. More than five years have now passed, and the stable Abe government has given a fair degree of continuity in its policymaking. The purpose of this paper is to evaluate what the Abe government has achieved and to point out what has been left undone.