Yakuza and Japan's Shadow Economy

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Recommended Citation
The Yakuza are Japan's equivalent of America's mafia, both are large criminal organizations that are involved in numerous illegal dealings. However, unlike the mafia the yakuza have been able to transform themselves from a criminal group that deals strictly in illegal activities, to a group that has a hand in a number of commercial businesses. At first glance many of these businesses appear to be legitimate, when looking closer many businesses have some sort of tie to the criminal underworld. The ties can be close association, wholly owned by the yakuza, or businesses that hire the yakuza to keep board meetings short and sweet. These businesses range in a number of different industries from construction, to banking, to finance, to real estate. Much of this is known to the Japanese general public but it kept quiet to most foreigners. The purpose of the paper is to research the extent of the Yakuza's effect on the Japanese economy during the banking crisis of the early 1990's as well as future implications of the Yakuza for future business dealings in Japan.