

High Hopes for Pie

Prof. Toshihiro Ihori (University of Tokyo)

The PIE that set off in October 2000 strives to analyze in depth, important research topics that Japan is facing under the current situation of low child-birth and rapid population aging. The concept of "generation" is relatively new in economics, and in recent years has caught the interest of many. In the fields of social security, the idea of generational accounting has been presented, but a standardized method of analyzing intergenerational equity problems is yet to be fully established. Thus, there is high expectation for PIE to manage this task and more.

The strength of PIE is in its global view. PIE analyzes not only pensions, but global warming and intergenerational equity issues in CIS and Eastern European nations whose economies are in transition. PIE's research also extends to Asian countries faced with a noticeable income gap under economic development. In the past in economics, international researches often focused on the conflict and adjustment of inter-regional, inter-national or inter-ideological matters such as East versus West, or North versus South. Today, the clash of interests between generations and the need to balance them have become increasingly important in developing and developed nations alike. Thus, an inter-generational approach that has an international scope is academically valuable.

Another strength and characteristics of PIE is an application of its achievements in political sciences to the real world, over-riding the boundary of standard economics.

One year has passed since the PIE set off. Numerous international conferences have been held, and in-depth exchanges of opinions have been achieved among researchers at home and abroad. Further, papers (both in Japanese and English) have been steadily compiled. High hopes are held for further PIE research achievements.

Takayama's Keynote Address in Sydney

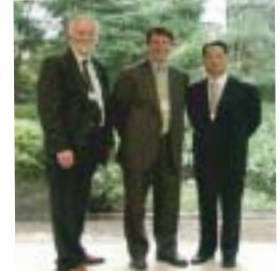
On 9th July 2001, the 9th annual colloquium of super-annuation researchers on reform of superannuation and pensions was held. Prof. N. Takayama (Hitotsubashi Univ.) gave the keynote address on Japanese pension issues at the meeting. The Australians were highly interested in the future of pensions of Japan where the population is rapidly aging. Prof. Takayama has been appointed as a member of the Advisory Committee for Australian Center for Pensions and Superannuation which was found soon after.

The 2001 Summer Workshop

Hitotsubashi Summer Workshop on Pensions was held on the 21st September, 2001. Prof. E. Palmer (Sweden) reported in detail the Swedish pension reform that took effect in 1999, ensued by an enthusiastic debate on the "notional" defined contribution plan. Participants were particularly interested in how to overcome the problems of the pay-as-you-go system without switching to funded pensions. Then, Dr. G. Burtless (Brookings Institution) reported on the privatization issues of public pensions and transition to funded individual accounts. Various questions were asked, especially on Dr. Burtless' s opinion that one should not play down the impact of volatilities of investment performances.



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Prof. Palmer, Dr. Burtless (from left)

Pensions in Transition Economies

A summer seminar focusing on population/pension/labor market was held on the 19th October 2001 at Seinan Gakuin University. Through this seminar, differences and similarities of Russia, Middle and Eastern Europe 's pension programs have been discussed. The reporters of the seminar were Prof. S. Ikemoto (Nihon University) , Prof. A. Uegaki (Seinan Gakuin University), Prof. S. Otsu (Kobe University), Prof. S. Tabata, and Prof. E. Yoshino (both Hokkaido University)



Members of Group A6

Health Care Issues

A seminar on health care issues such as a claim data analysis of particular diseases, financing for medical insurance, a fixed price system for pharmaceuticals, gaps between standard and actual drug prices, and smoking, was held in December 2001 at the Health Care Science Institute, Akasaka, Tokyo. The following six professors reported: T. Nambu (Gakushuin Univ.), S. Ogura (Hosei Univ.), T. Chino (Okayama Univ.), K. Tanaka (Yamaguchi Prefectural Univ.), E. Tajika and T. Tokita (both Hitotsubashi Univ.). Distinguished experts including Professors K. Kurokawa (Tokai Univ.) , Y. Ogata and Y. Takagi (both Kyushu Univ.) participated in the seminar and in-depth debates took place.

The Problem of Global Warming

An international symposium on "intergenerational equity and principles of cost-sharing in the context of global warming" was held on the 20th December 2001 in the National Center of Sciences at Tokyo. Prof. M. Nussbaum of the Univ. of Chicago, Professors W. Bossert and Y. Sprumont of the Univ. of Montreal reported on the evaluation of the social conditions in measuring intergenerational equity from the viewpoint of legal philosophy, welfare economics and social choice theory. Participants and reporters exchange opinions vigorously. During the symposium, Prof. Nussbaum Pointed out the usefulness of the capability approach put forward by Prof. A. Sen, in building the theory of gender and social justice, further proposing the list of the minimum capabilities for creating justice. Prof. Bossert reported on extending the existing framework of social assessment based on welfareism . Prof. Sprumont presented an attempt to modify the preference maximization hypothesis.