

High Expectations for PIE

Professor Atsushi Seike (Keio Univ.)

Recently I heard extensively on the progress of the Project on Intergenerational Equity (PIE). I give two comments.

Firstly, how does one consider the problem of allocating labor opportunities between different generations? As is well known, Europe during 1970s and 80s faced a serious increase of the young unemployed. The political measure was to promote early retirement of the older generations. However, as summarized in the 1995 OECD *Employment Outlook*, this policy, although it did promote early retirement, did not improve the young unemployment problem but merely worsened the financial burden.

Today Japan also faces the problem of young unemployment and increasing part-time workers that points to the intergenerational conflict of job-opportunities. Thus, how to solve the immediate problem of young unemployment and a mid-to-long-term issue of promoting later retirement is becoming increasingly important.

My second comment is on the relationship between intergenerational equity and intra-generational income distribution. I am especially concerned on the effect of income transfer from younger generations on the income distribution of elderly generations.

Recent empirical researches show that the low-income elderly suffer from low living standards, especially single elderly women. Whether intergenerational redistribution benefits the low-income elderly or whether it benefits the middle- or high-income elderly through earnings-related pensions make enormous difference to the social and political meaning of intergenerational transfers.

PIE's research results not only contribute academically, but also contribute to enlightening the broader society. Thus, expectations are equally high. I hope PIE puts out a last spurt, and produces further rewarding research results.



Prof. A. Seike



Publication of Research Results

In December 2003, research results from PIE were published as a book from the Oriental Economist Co. The title is *Japanese Labor Market: Growing Globalization* (in Japanese). Edited by Prof. M. Yorimitsu (Hitotsubashi Univ.), the contents can be found in the back of this newsletter.



Pensions in Asia (Group Photo)

Workshop on Pensions in Asia

On the 23rd-24th February 2004, the international workshop on Pensions in Asia was held at Tokyo. Reporters were W. McGillivray (ISSA), V. Chen (ADB Consultant), H.S. Phang (Korea Labor Institute), S. B. Chiu (National Taiwan Univ.), I. Chi (The Univ. of HK), M. Asher (National Univ. of Singapore), R. Thillainathan (Malaysian Economic Association), R. Vaidyanathan (Indian Institute of Management), N. Kanjanaphoomin (Government Pension Fund, Thailand), and N. Takayama (Hitotsubashi Univ.). The workshop revealed that on top of the basic pension design issue, incentives and compliance are the key issues of pensions in Asia. The outcome of the workshop will be published as a research monograph by the end of March 2005.

The 3rd PIE General Assembly



Prof. N. Yoshihara



Prof. K. Abe



Prof. T. Ito

On the 2nd April 2004, the 3rd General Assembly was held at Sano-shoin Hall, Hitotsubashi University, Tokyo. Reporters were Professors N. Yoshihara (Hitotsubashi Univ.), K. Abe (Osaka Univ.), T. Ito (Tokyo Univ.), E. Yoshino (Hokkaido Univ.), J. Kato (Tokyo Univ.) and Dr. M. Atoh (National Institute of Population and Social Security Research). Each participant left the workshop with renewed determination towards the final compilation of research achievements in 2005.



Prof. E. Yoshino



Prof. A. Kato



Dr. M. Atoh