



## 一橋大学 経済研究所

**INSTITUTE OF ECONOMIC RESEARCH  
HITOTSUBASHI UNIVERSITY  
2011**

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# 1 Message from the Director |



Director

**ASAKO, Kazumi**

As a research center affiliated with Hitotsubashi University, the Institute of Economic Research (IER) has been actively conducting research activities in its efforts to serve as a hub of collaboration for domestic and international researchers engaging in original, leading-edge studies. Most of the IER faculty members are also involved in graduate education at the Graduate School of Economics, giving seminars and lectures. The predecessor of the IER, the Institute of Research on the East Asian Economies at Tokyo University of Commerce, dates back to 1940. It later became the Institute of Economic Research at Hitotsubashi University in 1949. The following year, 1950, marked the launch of *The Economic Review*, and the annual publication of the Economic Research Series has continued since 1953.

Besides the faculty members' individual research work, the IER has a history of successful collaborative research, guided by its founding purpose of "comprehensive research on the Japanese and world economies". Of particular note is the 14-volume publication *Long-Term Economic Statistics of Japan*, which upon completion received the grand prize in the 1989 Nikkei Prize for Excellent Books in Economic Science. During the period from 1995 through 1999, the IER undertook a Center of Excellence (COE) project run by then the Ministry of Education for building a long-term economic statistical database for Asia. Results obtained in the project led to the publication of *Asian Historical Statistics* (planned to be a 12-volume series) which started with the launch of its first volume in 2008 covering Taiwan. For the period of 2000 through 2004, the IER organized the Project on Intergenerational Equity, which was supported by a Grant-in-Aid for Scientific Research on Priority Areas by the Ministry of Education, Culture, Sports, Science and Technology, and promoted international joint research

on pension, healthcare, population, labor, and environmental issues.

In 2003 through 2007, the IER engaged in two 21st Century COE programs (entitled "Research Unit for Statistical Analysis in the Social Sciences" and "Normative and Social Choice in Contemporary Economic Systems"), and in 2008 a successor Global COE program entitled "Research Unit for Statistical and Empirical Analysis in Social Sciences" was started for the purpose of extending these programs. In addition, the IER promoted two large-scale projects from 2006 through 2010: "Economic Analysis of Intergenerational Issues" supported by a Grant-in-Aid for Specially Promoted Research and "Understanding Inflation Dynamics of the Japanese Economy" supported by a Grant-in-Aid for Creative Scientific Research (Research Center for Price Dynamics). Also in 2008, the IER took on a Project for Promoting Empirical Social Sciences to Solve Issues of the Near Future entitled "Design of Industry and Financial Networks Enabling Sustainable Growth" (Research Center for Interfirm Network).

Some of these major joint research projects produced clear results and saw their completion as IER projects, while others were developed and modified into succeeding projects. Regardless of the scale of projects, the IER's stance has been to actively promote many collaborative research projects and try to make its facilities internationally accessible for collaboration purposes. The driving force for achieving these goals is the IER's five research departments—Japanese and Asian Economies; U.S. European, and Russian Economies; Contemporary Economies; Comparative Economic Systems; and Economic Systems Analysis—and three affiliated research centers, namely, the Research Centre for Information and Statistics of Social Science, the Center for Economic Institutions, and the Center for Intergenerational Studies (opened in 2007), to one of which all IER faculty members belong.

As for the research departments, their names reflect their functions. In terms of the affiliated research centers, the Research Centre for Information and Statistics of Social Science is expanding its services to provide government microdata for academic research in cooperation with the Statistics Bureau of the Ministry of Internal Affairs and Communications. The Center for Economic Institutions

was established for the purpose of systematically conducting basic research on the economic institutions of Japan and other Asian countries, and becoming the center of the international network in the field. The topics emphasized by the center have changed over time. Currently, the center promotes international joint research, focusing mainly on economic development and institutions in low-income countries in Asia and Africa. The Center for Intergenerational Studies promotes leading-edge research on intergenerational issues as a hub of international collaborative research in cooperation with four central government ministries and agencies. In addition, the Russian Research Center was established as an IER entity in 2007 although no IER faculty member serves as a regular member. The center was originally started when a study was commissioned by a private company, and activities of similar nature are being developed.

From 2010, the IER has been designated as a “Center for Empirical Analysis on Japanese and Global Economy” under the new Joint Usage/Research Center project of the Ministry of Education, Culture, Sports, Science, and Technology. The main objective is to build an international collaborative research center based on cooperation with industry, government, and international organizations, backed by the development of a system for using government microdata as well as the development of general data archives and methods of statistical analysis. More specifically, the IER has been engaging in the Project for JSPS Invitational Training Program for Advanced Japanese Research Institutes, which is intended to train young researchers through instruction and supervision by internationally recognized

researchers, through research projects in which a wide variety of non-IER researchers participate via an open application process, and through the Program for Promoting the Use of Anonymous Data Released by the Government.

It is worth noting that this wide range of research activities is made possible by the IER’s comprehensive support system which has been developed throughout its history. The Research Assistant Department consists of the Office of Publications, Faculty Support Office, and the Large-Scale Data Archiving and Processing Section, and the Administrative Department includes the IER Library and the Library for Japanese Statistics. They jointly strive to build a unique collection of documents and aim to serve as data archives or libraries specialized in statistical information. Also, support provided by the Administrative Office for the application for Grants-in-Aid for Scientific Research and other funding sources is part of the IER’s tradition, and which is clearly reflected in the IER’s high rates of winning competitive research funds over a long period.

Lastly, with the faculty members, outside research collaborators, and supporting staff working as a team, the IER, as stated at the beginning, aims to function and evolve as a hub of collaboration among domestic and international researchers, while continuing to provide publicly meaningful services and produce original, leading-edge research output. It goes without saying that the accumulated individual research conducted by IER’s faculty members is the source of collaborative research projects, and, as a matter of course, further accumulation of individual research is a constant pursuit.

## Joint Usage/Research Center: Center for Empirical Analysis on Japanese and Global Economy

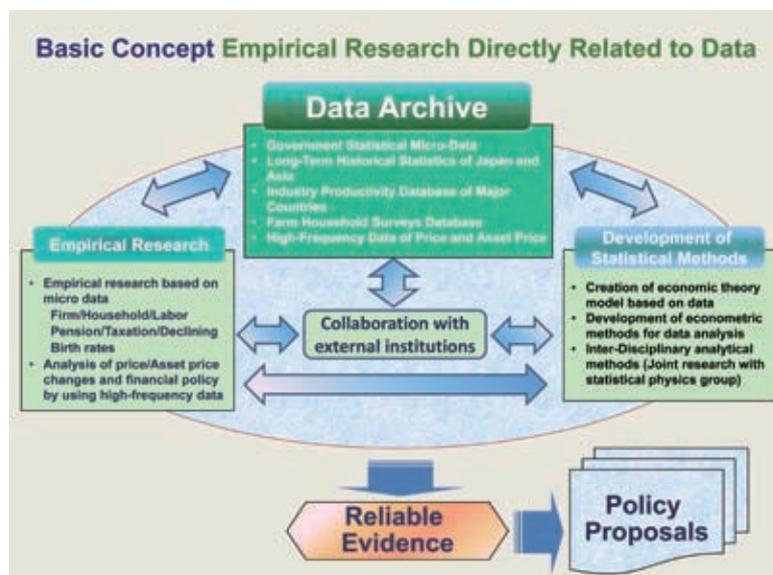
<http://www.ier.hit-u.ac.jp/Japanese/kyodo-riyou/index.html>

The Institute of Economic Research was designated as the Joint Usage/ Research Center by the Ministry of Education, Culture, Sports, Science and Technology in 2009. Building on a strong tradition of empirical research, the Institute promotes the establishment of the world-class Joint Usage/Research Center for empirical analysis on Japanese and global economy based on the maintenance of data archives and the development of analytical tools for statistics. Publications of major works such as the *Long-Term Economic Statistics of Japan and the Asian Historical Statistics Series* underpin the unrivalled experience of the institute in the maintenance and collation of statistical sources and the creation of database, and has provided public database covering sufficiently long period of time. In collaboration with the National Statistics Center, the Institute maintains and expands an environment for the use of the government statistical micro data and promotes the founding of Japan's first micro data center for making use of the government statistics. The Center focuses on the compilation of data archives and empirical analysis using these archives.

Furthermore, the Institute comprehends the synergistic results of theoretical and empirical research conducted by the ongoing large-scale projects such as the Global Center of Excellence (GCOE) Program and the Project on

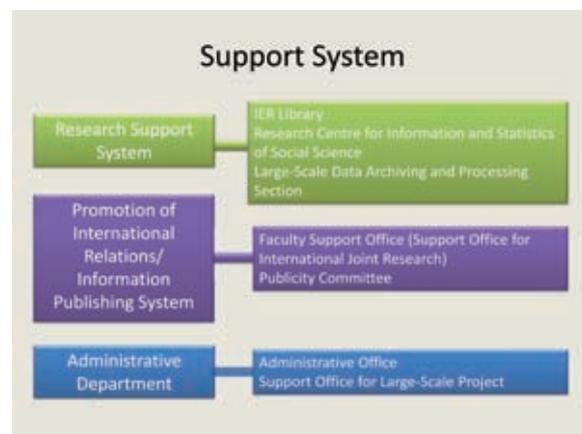
Design of Interfirm Network to Achieve Sustainable Economic Growth, and promotes institutional/policy research. Based on the Center for Intergenerational Studies and other research units, the Institute also promotes the establishment of a global research base for joint research in collaboration with researchers from government agencies, central banks, various industries, and international organizations as well as academia. As underpinned by the middle-term plan of Hitotsubashi University, the Institute has consolidated its position as an international research hub conducting international joint research. The Joint Usage/Research Center seeks to develop such functions more comprehensively and intensely on the basis of the five research departments of the Institute. In addition to these activities, the institute is actively conducting several unique programs within the framework of the Joint Usage/Research Center. These programs aim to promote joint projects utilizing research resources available at the institute and government survey micro data provided by the Research Centre for Information and Statistics of Social Science.

Director of the Institute is responsible for organizing the Steering Committee and the Joint Usage/Research Committee. While the Steering Committee thoroughly discusses general issues on the organization of the



Center, the Joint Usage/Research Committee considers the operating system of the Center including calls for topics for joint usage and joint research. More than half the members of both committees are consisted of external researchers so that a wide range of the opinions and requests of researchers in both international and domestic research communities are

carefully deliberated, and reflected in the operating system. When needed, the Institute is flexible enough to organize the Advisory Committee consisted of overseas researchers under the Steering Committee to make the opinions of overseas researchers well reflected in the operating system.



### Steering Committee Members

Takenori Inoki	Director, International Research Center for Japanese Studies
Kazuhiro Ikeo	Professor, Department of Economics, Keio University
Konosuke Odaka	Professor Emeritus, Hitotsubashi University
Watsuji Nakagane	Professor Emeritus, University of Tokyo
Yasuto Yoshizoe	Professor, College of Economics, Aoyama Gakuin University
Sadao Nagaoka	Professor, Institute of Innovation Research, Hitotsubashi University
Kazumi Asako	Director, Institute of Economic Research, Hitotsubashi University
Kyoji Fukao	Professor, Institute of Economic Research, Hitotsubashi University
Ichiro Iwasaki	Professor, Institute of Economic Research, Hitotsubashi University
Takashi Oshio	Professor, Institute of Economic Research, Hitotsubashi University

## Research Unit for Statistical and Empirical Analysis in Social Sciences (Global Centers of Excellence (G-COE) program)

<http://gcoe.ier.hit-u.ac.jp/english/index.html>

The significance of empirical research in the social sciences can be compared to that of experiments in the natural sciences. Of utmost importance for such empirical research is the availability of long-term statistics and micro data. Taking advantage of the substantial statistical resources already available at the Institute of Economic Research (IER), the aim of this COE Program is to create an extensive data archive that is open to researchers from around the world and is the focal point for a research and education center of global significance. To this end, the Program provides support for leading-edge statistical, empirical, and theoretical research based on the data archive, and for the development of young academics through “on-the-job” training.

### ■ Project Leader

**Kyoji Fukao** (Institute of Economic Research, Hitotsubashi University)

### ■ Members

**Naohito Abe** (Institute of Economic Research, Hitotsubashi University)

**Taiji Furusawa** (Graduate School of Economics, Hitotsubashi University)

**Daiji Kawaguchi** (Graduate School of Economics, Hitotsubashi University)

**Yoshiyuki Kobayashi** (Institute of Economic Research, Hitotsubashi University)

**Takashi Kurosaki** (Institute of Economic Research, Hitotsubashi University)

**Chiaki Moriguchi** (Institute of Economic Research, Hitotsubashi University)

**Yosuke Okada** (Graduate School of Economics, Hitotsubashi University)

**Hide Nobu Okuda** (Graduate School of Economics, Hitotsubashi University)

**Hiroshi Sato** (Graduate School of Economics, Hitotsubashi University)

**Tsunemasa Shiba** (Graduate School of Economics, Hitotsubashi University)

**Etsuro Shioji** (Graduate School of Economics, Hitotsubashi University)

**Ichiro Uesugi** (Institute of Economic Research, Hitotsubashi University)

**Harry Xiaoying Wu** (Institute of Economic Research, Hitotsubashi University)

**Reiko Aoki** (Institute of Economic Research, Hitotsubashi University)

**Jota Ishikawa** (Graduate School of Economics, Hitotsubashi University)

**Yukinobu Kitamura** (Institute of Economic Research, Hitotsubashi University)

**Kazuhiro Kumo** (Institute of Economic Research, Hitotsubashi University)

**Eiji Kurozumi** (Graduate School of Economics, Hitotsubashi University)

**Akira Okada** (Graduate School of Economics, Hitotsubashi University)

**Hiroyuki Okamoto** (Graduate School of Economics, Hitotsubashi University)

**Takeshi Sakurai** (Institute of Economic Research, Hitotsubashi University)

**Motohiro Sato** (Graduate School of Economics, Hitotsubashi University)

**Katsumi Shimotsu** (Graduate School of Economics, Hitotsubashi University)

**Koichi Tadenuma** (Graduate School of Economics, Hitotsubashi University)

**Toshiaki Watanabe** (Institute of Economic Research, Hitotsubashi University)

**Naoki Yoshihara** (Institute of Economic Research, Hitotsubashi University)

Other members include:

Adjunct Associate Professor 1, Visiting Fellows 29, COE Visiting Scholars 29, COE Visiting Young Scholars 39, COE Researchers 12, JSPS Research Fellow 1, COE Young Researchers 16, COE Visiting Young Researchers 2, Research Assistants 3, Teaching Assistants 4

(as of June 1, 2011)

### The Data Archive

Led by the Research Centre for Information and Statistics of Social Science (RCISSS) attached to the IER, the G-COE Program created a major data archive and has been expanding it with the following initiatives:

- The RCISSS concluded a partnership and cooperation agreement with the National Statistics Center (NSTAC) in March 2009. Since then, the RCISSS has been engaged jointly with the NSTAC in research, development, and promotion of the secondary usage of official statistics.
- The RCISSS has established Japan’s first onsite facility that provides researchers access to official

statistical micro data in collaboration with the NSTAC.

- The program works on the further expansion of existing databases including the Japan Industrial Productivity (JIP) Database, the Asian Historical Statistics Database, and the Farm Household Survey Micro Data.
- The program constructed a website for data access services, the “Hi-Stat Social Science Database Network,” (<http://www.ier.hit-u.ac.jp/histatdb/>) in collaboration with the IER Library and has been expanding the collection of databases available on this website.

### Practical and Financial Support for Education and Training

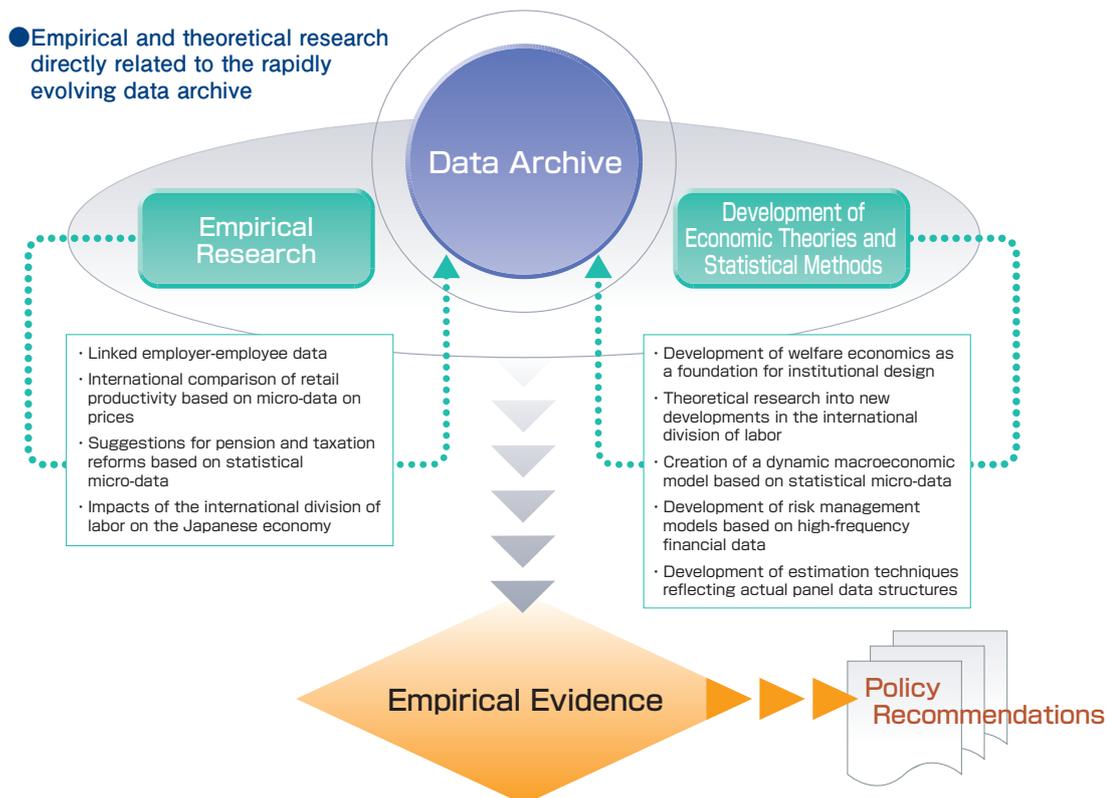
Given recent advances in empirical research using micro data and the use of such research in institutional design, there exists a growing demand from top-level research institutions as well as governments, businesses, and international organizations for specialists with strong research and analytical skills in this area. Against this

background, the program further expands the education and training of such specialists by offering professionals and students from Japan and abroad the opportunity to enroll in the university's Ph.D. program. It has provided access to the data archive, which is an opportunity for graduate students to participate in leading-edge joint research with the large number foreign scholars visiting to access our data, and training and supervision by statistical and economic theoreticians. The G-COE Program offers an ideal environment for world-class training and research in statistical and empirical analysis. In addition, to train promising researchers with an international outlook, the program offers the following educational activities:

- Based on a strict screening process, the program provides financial support to Ph.D. students by employing them as COE Young Researchers, research assistants, or teaching assistants. They are required to participate in joint research.
- The program provides a systematic set of courses, which students are required to attend.
- The program offers a lecture series featuring top-level international researchers.
- Students are offered opportunities to deliver presentations at international conferences and to conduct research at overseas institutions.

## Extensive Empirical Research and Expansion and Maintenance of the Data Archive

The compilation and maintenance of a data archive is—needless to say—not an end in itself. Rather, its purpose is to provide the basis for research that contributes to our understanding of the world around us and, ideally, to provide solutions for economic and social problems. However, for statistical resources to fulfill this role, the collection of the data itself must be informed by empirical and theoretical research. In this context, the program has been promoting joint research by leading Japanese empirical and theoretical economists in the fields of welfare economics, macroeconomics, finance, industrial organization, international economics, labor economics, public economics, and economic development. Many of these researchers participate in the G-COE Program, thereby substantially expanding the fields covered by the database to be compiled and made available to the public and contributing to the theoretical foundations for empirical research. In particular, the program is conducting theoretical research into mechanism design, which studies decision-making theory and the functions of market-based or other institutions. Given the rapid increase in globalization, it is essential to develop a theoretical model in an open economy setting in order to conduct



empirical analysis of the macro economy and firms. For this purpose, the program seeks to develop a theoretical framework that enables evidence-based policy recommendations by promoting theoretical studies on international trade and foreign direct investment.

#### **Development of Statistical Methods Directly Related to the Data Archive**

Development of new statistical methods has been a driving force for advances in empirical research. In addition, statistical theory forms a key element in the training of economists and other social scientists. Against this background, collaboration in the program by statistical theorists in the training of young researchers and the development of statistical methods directly related to the data archive is another pillar of the G-COE Hi-Stat Program. With regard to research, the program focuses on developing new analytical methods for macroeconomic longitudinal data and panel models using microeconomic data. Moreover, the program is engaged in collating and maintaining high-frequency data on domestic and overseas asset prices as well as researching into statistical methods for econometric finance required in analyzing such data.

#### **A Global Research Center Open to Scholars and Students from Around the World**

Over the past decades, our data archive and empirical research have made IER a leading center that attracts researchers from around the world; this program continues to expand because of its reputation. A large number of researchers and Ph.D. candidates from leading universities around the world, such as Columbia University, Massachusetts Institute of Technology, and the London School of Economics and Political Science (LSE), visit us to conduct research using data available at IER. As a center open to the international academic community, this program offers COE research fellowships for Ph.D. students and young researchers from Japanese and overseas institutions to provide them with financial and practical support over several months. In addition, the program invites overseas and Japanese researchers at the post-doctoral level to work with us as a COE Visiting Young Researcher. Moreover, by extending systematic support for scholars to make use of government micro data, by expanding competitive grant research programs and utilizing the facilities of the university such as the IER, the program seeks to establish a global research base where a number of Ph.D. students and researchers from domestic and overseas institutions constantly participate in ongoing research. Working with Groningen University and the LSE, the program continues to build global networks to publish data on economic development and productivity worldwide.

## Design of Industrial-Financial Network that Enables Long-Term Growth (Research Aimed at Solution of Near Future)

<http://www.ier.hit-u.ac.jp/ifn/>

Japan's industrial and financial networks were subject to significant changes due to the country's economic stagnation for the past quarter century and are currently in the middle of a restructuring process. This project prepares data on business relationships of 300,000 corporations in Japan for many data points and quantitatively analyzes changes observed in inter-firm networks and the networks' positive effect on firms' productivity. Based on the analysis, we propose measures to rebuild efficient and stable networks and enhance the "connective capability" of firms and banks.

### ■ Project Leader

Tsutomu Watanabe (Hitotsubashi University)

### ■ Members

Kyoji Fukao (Hitotsubashi University)

Keiichiro Kobayashi (Hitotsubashi University)

Souichiro Kozuka (Gakushuin Law School)

Takayuki Mizuno (Tsukuba University)

Kentaro Nakajima (Tohoku University)

Kazuo Ogawa (Osaka University)

Tatsuaki Ohnishi (University of Tokyo)

Hiroyuki Okamuro (Hitotsubashi University)

Arito Ono (Mizuho Research Institute)

Wataru Sohma (Nihon University)

Hideki Takayasu (Sony Computer Laboratory)

Misako Takayayasu (Tokyo Institute of Technology)

Hirofumi Uchida (Kobe University)

Ichiro Uesugi (Hitotsubashi University)

Noriyuki Yanagawa (University of Tokyo)

Research Collaborator: Yukiko Saito (Fujitsu Research Institute), Koji Sakai (Kyoto Sangyo University), Chihiro Shimizu (Reitaku University), Shunpeita Tamada (Kwansei Gakuin University)

The function of firm-to-firm and firm-to-bank networks in the Japanese economy drastically weakened during the recent economic stagnation lasting for a quarter century. Many firms and banks could not cut relationships with troubled firms and banks, though doing so was appropriate, and continued transactions with them. This problem eventually spread to otherwise healthy economic entities. A typical example is the "zombie lending" by major banks to large firms suffering from low productivity. In addition, mutual distrust emerged among economic entities as they started to doubt the solvency of their transaction counterparts in the midst of numerous bankruptcies of firms and banks. The shrunk inter-firm credit is one example. The functional decline of networks suppressed the productivity of economic entities, which became a cause of the lengthening of the economic downturn. While investigating these explanations with data, this research aims to examine ways to regain the inherent functions of networks which contribute to the realization of high productivity and increased economic welfare by allowing economic entities to act cooperatively.

Relationships among economic agents have been frequently discussed in macroeconomics and finance. Relationship banking and the concept of a main bank in finance are some of the topics under discussion. Taking

into account the accomplishment of relevant research, our research attempts to reconsider relationships in terms of networks, which provide a new perspective. More specifically, we regard firm-to-firm, firm-to-bank, and bank-to-bank relationships as networks and investigate their basic characteristics, such as a structure consisting of a hub and surrounding firms. With data, it is then clarified how networks were created and have changed over time and what caused such changes (e.g., shifting legal institutions and a changing competitive environment). Furthermore, we reveal the connection between networks and the growth of firms by answering questions such as what positions in networks are occupied by firms with high productivity, rapid growth, and numerous product innovations and how young and small firms and stagnant firms are treated in their networks. Based on the quantitative assessments, we also consider how changes in networks are associated with the long-term stagnation of the economy, what is deemed to be an efficient and stable network, and what institutions and conditions are necessary to build such a network.

Since the start of the project in fall 2008, we have completed the following research activities:

First, we have established research collaborations with Teikoku Data Bank Incorporated, which provides us with

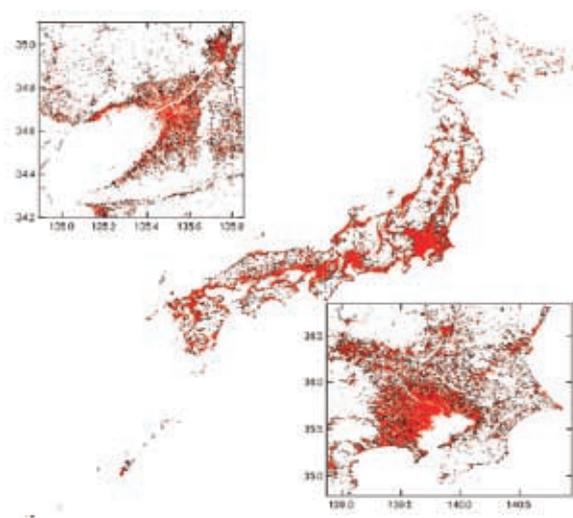
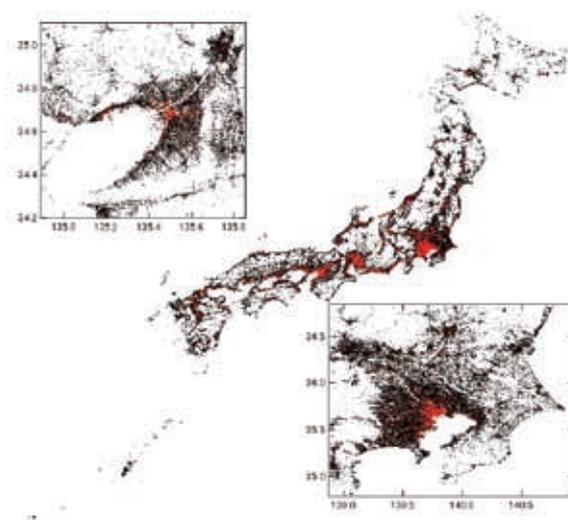
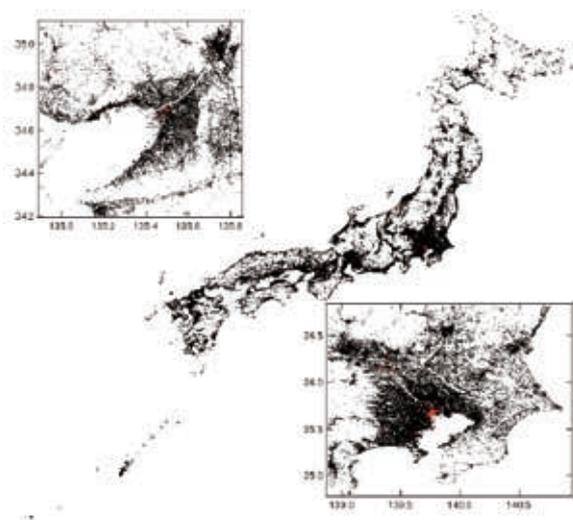
comprehensive datasets concerning inter-firm and bank-firm relationships in Japan. The datasets cover more than 300,000 firms for multiple periods and include a number of relevant variables used for analysis.

Second, among the numerous research topics explored using these datasets, we obtained several novel findings: the degree in terms of the number of transaction partners follows the power law (see figures); a positive association exists between firm size and the degree of transaction counterparts, indicating that the number of transaction relationships (extensive margin) is more important than the extent of transactions within each relationship (intensive margin); some of these transaction relationships are frequently “rewired,” while others persist much longer than ten years.

Third, we implemented a questionnaire survey on inter-firm relationships and joint R&Ds among manufacturing businesses. We collaborated with the

Small and Medium Enterprises Agency of METI and the Ohta Ward Office, a local government in the agglomerated area of machinery and metal processing firms. Based on responses from 2,000 firms, we extended our in-depth knowledge on how different types of inter-firm networks, be they transactional, research collaborations, or day-to-day communications, interact with each other.

Fourth, project members have published 29 academic papers, four books, and have delivered 31 lectures and presentations on issues related to inter-firm networks. To publicize our accomplishments, we have held five symposiums and opinion exchange sessions, including the February 2011 mid-term workshop that reported on the progress of the project. To facilitate these research activities, we established the Center for Industrial-Financial Network Research at Hitotsubashi in August, 2009.



These three maps indicate that the inter-firm networks in Japan follow the power law.

Firms are indicated as dots in these maps. Starting from one randomly chosen firm located in Tokyo, firms that have direct transaction relationships with the firm are shown as red dots in the top left map. Then, firms that have direct transaction relationships with these red-dotted firms are now turned red in the top right and those that have indirect transaction relationships with them are turned red in the bottom left map.

We observe that the majority of firms located in Japan are interconnected in such a short distance (in this case, only in four steps), which evidences that the inter-firm networks in Japan follows the power law.

\* All of these maps are produced by Takayuki Miauno of Univ. of Tsukuba.

PRIMCED (Poverty Reduction, Institutions, Markets, and Policies in Developing Countries: Toward a Theory of Comparative Economic Development) research project (Grant-in-Aid for Scientific Research (S)) <http://www.ier.hit-u.ac.jp/primced/e-index.html>

## ■ Project Leader

Takashi Kurosaki (Professor, IER, Hitotsubashi University)

### 1. Objectives

Despite the long years of development efforts, absolute poverty remains one of the most urgent problems facing developing countries. Characteristics associated with absolute poverty were also evident in developed countries before they experienced their modern economic growth. Given this backdrop, this research seeks to provide a unified framework of long-term economic development and poverty reduction. More specifically, it attempts to build a new knowledge base concerning economic development and developing countries.

The group of co-researchers organized for this project is led by development economists and comparative economic historians, who collaborate in collecting and analyzing primary data. Through their collaboration, we aim to synthesize knowledge about poverty reduction, economic institutions, markets, and policies during the process of economic development.

Our project name—**P**overty **R**eduction, **I**nstitutions, **M**arkets, and **P**olicies in **D**eveloping **C**ountries: **T**oward a **T**heory of **C**omparative **E**conomic **D**evelopment (PRIMCED)—symbolizes its objectives. It is a five-year research project funded under a Grant-in-Aid for Scientific Research (S) for the period from 2010 through 2015.

### 2. Project organization

Program Committee: Takashi Kurosaki (Institute of Economic Research, Hitotsubashi University: IER-HU)

Microeconomic Analysis Group

Methodology and Application Team: Yukinobu Kitamura (IER-HU), Naohito Abe (IER-HU)

Development Economics Team: Takeshi Sakurai (IER-HU), Yasuyuki Sawada (University of Tokyo),

Yoshito Takasaki (University of Tsukuba), Fumiharu Mieno (University of Kobe)

Comparative Historical Analysis Group

Institutions and Organizations Team: Tetsuji Okazaki (University of Tokyo), Osamu Saito (Professor-Emeritus, HU), Ryo Kambayashi (IER-HU), Chiaki Moriguchi (IER-HU), Yutaka Arimoto (IER-HU)

Long-Term Economic Growth Team: Yoshihisa Godo (Meiji-Gakuin University), Konosuke Odaka (Professor-Emeritus, HU), Kyoji Fukao (IER-HU), Kentaro Nakajima (Tohoku University)

Overseas Collaborating Organizations and Researchers (Indian Statistical Institute, CGIAR Centers, Zambia Agriculture Research Institute, Paul Valery University, etc.)

### 3. Three pillars of PRIMCED analyses

The first pillar of PRIMCED analyses is the analysis of micro data collected in current developing countries. The data cover households, firms, market transactions, agricultural production, and other areas. We conduct original surveys in developing Asian and African countries to collect detailed information about households as well as economic institutions, contracts, and government policies.

The second pillar is the comparative historical analysis of economic development using micro and macro data. Historical data concerning economic organizations and institutions are compiled from relevant records, including government statistics and completed survey questionnaires previously unexamined by researchers. Combining quantitative/microeconomic and



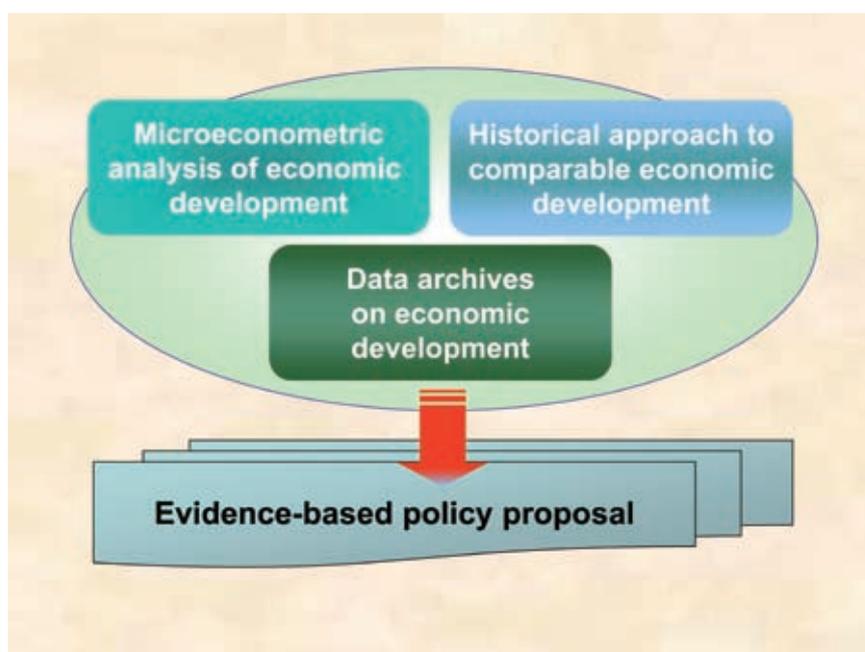
Working children: Japan (19<sup>th</sup> century) & India (2000s)

descriptive/case study analyses, we investigate the determinants of economic institutions, organizations, and policies, as well as their impact on economic performance within the historical context of economic development.

The third pillar is grounded on the results of the first two. We first conduct quantitative empirical analyses with similar specifications for contemporary and historical cases. We then construct theoretical models to explain the observed contrasts and conduct simulation analyses based on the theoretical models to verify our interpretations.

#### 4. Expected outcomes

Our expected research outcomes are summarized in the figure below. First, we expect to accumulate a new stock of knowledge in the form of scientific evidence concerning the role of institutions, organizations, and policies in economic development. Second, we will construct data archives concerning economic development and provide them to the next generation of researchers. Third, we will prepare proposals for specific poverty-reduction policies based on the accumulated scientific evidence.



International Workshop "Advancing Knowledge in Developing Economies and Development Economics: Towards the Understanding of Institutions in Development"  
Date: September 23 (Fri) and September 24 (Sat), 2011  
Venue: Sano Shoin, Hitotsubashi University



## The Economic Thought and Basic Theory of the Welfare State at Cambridge and the LSE (Grant- in-Aid for Scientific Research (A))

### ■ Project Leader

Tamotsu Nishizawa (Hitotsubashi University)

### ■ Members

Kenji Fujii (Aoyama Gakuin University)

Ryo Hongo (Hirosaki Gakuin University)

Hiroyuki Shimodaira (Yamagata University)

Yoshihiko Hakamata (Chuo University)

Atsushi Komine (Ryukoku University)

Yoshio Watanabe (Meiji University)

Toshiaki Hirai (Sophia University)

Masashi Kondo (Osaka Prefecture University)

Satoshi Yamazaki (Kochi University)

This research examines how paradigm shifts occurred in terms of economic thought, theory, and policy during approximately one hundred years starting in the 1870s by considering economists and economists at, mainly, Cambridge and the LSE. More specifically, the research (1) provides, in connection with the neoliberal theory of the welfare state advanced by Keynes and Beveridge, a historical account of how modern theory of the welfare state developed based on Hayekian neoliberalism of the 1970s and following years, (2) examines, critically and comprehensively, the process of the Keynesian Revolution spanning from the publication of Keynes' *General Theory* to the present in the context of theory and history and explores the future role of macroeconomics, and (3) reviews, from a modern perspective, the Cambridge School from Marshall to Keynes, especially, Marshall and the tradition and lineage of Marshallian industrial economics and industrial organization, taking into account studies conducted at Cambridge and beyond. The research conducts a detailed historical study on the tradition of welfare economics at Cambridge and the multidimensionality

and diversity of welfare economics observed at its beginning outside Cambridge, along with the birth of the British welfare state. In order to fulfill these objectives at the international level we regularly hold conferences and workshops, strive for advances in research, and make presentations on our research results.

The following are some of our publications.

- *Marshall and Schumpeter on Evolution. Economic Sociology of Capitalist Development* (ed. by Y. Shionoya and T. Nishizawa. Edward Elgar, 2008)
- *No Wealth but Life: Welfare Economics and the Welfare State in Britain, 1880-1945* (ed. by R. Backhouse and T. Nishizawa. Cambridge University Press, 2010)
- *The Return of Keynes: Keynes and Keynesian Policies in the New Millennium* (ed. By B. W. Bateman, T. Hirai, and M. C. Marcuzzo. Harvard University Press, 2010)
- *Marshall, Marshallians and Industrial Economics* (ed. by T. Raffaelli, T. Nishizawa and S. Cook. Routledge, 2011)

## Econometric Analysis of Macroeconomic Policy under the Financial Crisis (Grant-in-Aid for Scientific Research (A))

### ■ Project Leader

Toshiaki Watanabe (Hitotsubashi University)

### ■ Members

Kazumi Asako (Hitotsubashi University)

Tsutomu Watanabe (Hitotsubashi University)

Mototsugu Fukushima (Osaka University)

Kazuhiko Kakamu (Chiba University)

Esturo Shioji (Hitotsubashi University)

Japan continues to experience a long recession even though the Bank of Japan initiated a zero interest rate policy in 1999 to stimulate the economy. The recent global financial crisis now has compelled central banks in the US and Europe to lower interest rates to nearly zero. When the nominal interest rate approaches zero, central banks cannot lower it further to stimulate the economy. They must use unconventional monetary policies, such as quantitative easing and non-monetary tools, such as publically announced commitments to maintain near-zero interest rates for an extended period.

Researchers in this project develop econometric methods for analyzing the effects of unconventional monetary policies. So far, we have developed a Bayesian method using Markov chain Monte Carlo methods (MCMC) for the analysis of time-varying parameter vector auto regression models (VAR) with the ordering

of variables. We are now developing Bayesian methods for estimating the state-space model with the prior selected using a dynamic stochastic general equilibrium model (DSGE) and estimating DSGE models with a lower boundary on nominal interest rates. Using these methods, we analyze the effects of unconventional monetary policies empirically.

We also analyze the effects of a fiscal policy. Since the simple investment-saving/liquidity preference-money supply analysis (IS-LM) predicts that the fiscal multiplier increases during the period of a liquidity trap, we analyze empirically whether it does so during a period of zero interest rates using a time-varying parameter VAR model. This project seeks to determine optimal monetary and fiscal policies when the nominal interest rate is nearly zero because of a financial crisis.

## Empirical Investigations in the Pre-War Agricultural Household Economy: A Panel Data Analysis (Grant-in-Aid for Scientific Research (A))

### ■ Project Leader

Yukinobu Kitamura (Hitotsubashi University)

### ■ Members

Osamu Saito (Emeritus Professor, Hitotsubashi University)

Satoshi Yasuda (Emeritus Professor, Hitotsubashi University)

Masahiro Sato (Hitotsubashi University)

Takashi Kurosaki (Hitotsubashi University)

Takeshi Sakurai (Hitotsubashi University)

Atsuyuki Asami (Kyoto University)

Tetsuji Senda (Kyoto University)

Yasuyuki Sawada (University of Tokyo)

Masakazu Nagae (Senshu University)

Manabu Ozeki (Okayama University)

This project seeks further understanding of Japan's pre-WWII agricultural economy using the Agricultural Household Survey (*Nouka keizai cyousa*) conducted by the Ministry of Agriculture during the prewar period. We seek to illuminate the roles of the agricultural sector in Japan's economic development from the perspective of economic history, economic development, and econometrics.

The roles played by the agricultural sector during the prewar period were not only to produce agricultural goods but also to absorb surplus urban labor and to

provide a labor force for the manufacturing and service sectors.

This project's members are authorities in various disciplines, enabling us to analyze comprehensively Japan's prewar agricultural household economy in particular and Japan's prewar agricultural sector in general.

This project also intends to produce a digitalized database of the Agricultural Household Survey for general public use.

## Standards and Technology - Life Cycle, Generational Transition and Related Issues (Grant-in-Aid for Scientific Research (A))

### ■ Project Leader

Reiko Aoki (Hitotsubashi University)

### ■ Members

Sadao Nagaoka (Hitotsubashi University)

Shigeo Muto (Tokyo Institute of Technology)

Takehiko Yamato (Tokyo Institute of Technology)

Yasuhiro Arai (Aomori Public University)

Shin Kishimoto (Tokyo Institute of Technology)

Tomoyuki Shimbo (Yamagata University)

Naotoshi Tsukada (RIETI)

Standardization is the interface between technologies and networks. It became critical as network industries, such as telecommunication and utilities, moved from monopoly to a market with many firms. Until recently public policy has emphasized standardization. However, as network industries mature, new technologies and standards emerge, and significant questions arise. When and how should network industries move from one technology and standard to the other? Who are the initiators of new technology and standards, those who introduced the old standards (insiders) or others

(outsiders)? In this project, we first conduct case studies of existing standards, such as MPEG, DVD and Blu-ray, and mobile 3G, including intellectual property and competition policy. Based on our findings, we will use game theory and experimental economics to decipher the standard-making process and market implications of standards. Policy recommendations for standardization process and standard setting organizations will emerge from our research. We will be collaborating with researchers and institutions in North America, Oceania, and Europe.

## Toward Comparative Transition Economics: A Meta-Analysis of the 20-Year History of Post-Communist Transition to a Market Economy (Grant-in-Aid for Scientific Research (A))

### ■ Project Leader

Ichiro Iwasaki (Hitotsubashi University)

### ■ Members

Norio Horie (University of Toyama)

Kazuhiro Kumo (Hitotsubashi University)

Satoshi Mizobata (Kyoto University)

Fumikazu Sugiura (Teikyo University)

Taku Suzuki (Teikyo University)

Masahiro Tokunaga (Kansai University)

Akira Uegaki (Seinan Gakuin University)

This project aims to develop research in comparative transition economics in Japan through a meta-analysis of the 20-year history of the systemic transformation toward market economies in Central and Eastern Europe and the former Soviet Union. More specifically, we conduct a comprehensive study of the literature on transition economies published during the past two decades and reexamine the relationship between its

theoretical implications and empirical evidence. In doing so, we focus on the most heated controversies, including choices of transition strategies, the social impacts of economic transformation, integration into the world economy, and enterprise restructuring. We also conduct original empirical work into unexplored issues using unique datasets of transition economies to complement earlier literature in this field of research.

## Micro-Data Based Analyses on the Economic Behaviors of Households and Policy Effectiveness in Japan (Grant-in-Aid for Scientific Research (A))

### ■ Project Leader

Masahiro Hori (Hitotsubashi University)

### ■ Members

Keiko Murata (Tokyo Metropolitan University)

Seiichi Inagaki (Hitotsubashi University)

Kazumasa Oguro (Hitotsubashi University)

Junya Hamaaki (Cabinet Office)

Koichiro Iwamoto (Cabinet Office)

This research project examines the evolution of income and asset distribution among Japanese households from the mid-1980s to date, and evaluates its impact on household economic behaviors. To estimate the distribution of financial, real, and human wealth among Japanese households, we use micro data from multiple sources, including the *Family Income and Expenditure Survey* (FIES), the *Japanese Panel Survey of Consumers* (JPSC), and the *Basic Survey on Wage Structure* (BSWS), as well as data from our own original survey about family relationships, retirement allowances, and intergenerational transfers in Japan. After estimating the wealth-holdings of individual households, we use the estimated data to examine the validity of conventional theories of consumer behavior, such as the permanent income hypothesis and habit formation in consumption, for Japanese households. We

also plan to initiate policy evaluation studies, in particular, studies concerning economic policy measures undertaken by the Japanese government during Japan's Lost Decades (since the 1990s).

The following are examples of our work in progress:

Japanese Employment System in the Lost Decades (by Hamaaki, Hori, Maeda, and Murata, *The Japanese Journal of Labour Studies*, 2011).

How Does the First Job Matter for an Individual's Career Life in Japan? (by Hamaaki, Hori, Maeda, and Murata, CIS/PIE Discussion Paper, 2011).

Intergenerational Transfers and Asset Inequality in Japan (by Hamaaki, Hori, and Murata, forthcoming in CIS/PIE Discussion Paper, 2011).

## Green Revolution and Poverty Reduction in Sub-Saharan Africa: Assessment of Policies Using Panel Data (Grant-in-Aid for Scientific Research (A))

### ■ Project Leader

Takeshi Sakurai (Hitotsubashi University)

### ■ Members

Kei Kajisa (National Graduate Institute for Policy Studies)

Yoko Kijima (Tsukuba University)

Yutaka Arimoto (Hitotsubashi University)

A rapid economic growth has started recently in Sub-Saharan African countries after long years of stagnation. At the same time, an increase in agricultural productivity is taking place in a wide range of area; the sign of a green revolution. The objective of this research project is to explore the role of green revolution in the economic development of Sub-Saharan African countries in comparison with the case of Asian countries where the Green Revolution is known to have played an important role in the initiation of economic growth. The project leader and project members respectively have already conducted economic studies based on

household surveys of rice producing farmers in several countries in Sub-Saharan Africa such as Uganda, Mozambique, Tanzania, Ghana, Senegal, and Kenya. Thus, the current research project plans to create original panel datasets by resurveying the same households, and by comparing the data collected in the two points of time the study will answer policy-relevant questions as to what are necessary conditions for a green revolution to happen in Sub-Saharan Africa, and whether the green revolution is enhancing farm household income and food supply in each country.

## Studies on Policy Evaluation for Income Security by Using a Dynamic Microsimulation Model (Health Labor Sciences Research Grant)

### ■ Project Leader

Seiichi Inagaki (Hitotsubashi University)

### ■ Members

Noriyuki Takayama\* (Hitotsubashi University)

Takashi Oshio (Hitotsubashi University)

Masahiro Hori (Hitotsubashi University)

\*: Adjunct Professor

Profound structural changes now are still under way in Japan's society and economy. Most notable among them are an aging population and a declining birth rate. As the number of elderly increases, the need for social security increases, and distributing benefits efficiently from revenues that are feared to be shrinking is a central policy issue. This study develops microsimulation models for Japan and evaluates the distributional consequences of social policies for

households and individuals. We project outcomes under current demographic trends such as the dispersion of household types and multi-generational, co-resident families—and the benefits and burdens of current economic policies, including tax and insurance contributions. We then conduct simulations on major reform proposals (e.g., pension reforms, earned income tax credits, new child allowances) and evaluate them quantitatively to guide evidence-based policymaking.

## An Investigation into Household Consumption and Labor Supply Using High-frequency Marketing Data (Grants-in-Aid for Young Scientists (S))

### ■ Project Leader

Naohito Abe (Hitotsubashi University)

### ■ Members

Yukiko Abe (Hokkaido University)

Daiji Kawaguchi (Hitotsubashi University)

Takayuki Mizuno (Tsukuba University)

Kyosuke Shiotani (Bank of Japan)

Tsutomu Watanabe (Hitotsubashi University)

Masahiro Hori (Hitotsubashi University)

Yukinobu Kitamura (Hitotsubashi University)

Yukiko Saito (Fujitsu Research Institute)

Ichiro Uesugi (Hitotsubashi University)

Noriko Inakura (Japan Center for Economic Research)

Miki Kohara (Osaka University)

Etsuro Shioji (Hitotsubashi University)

Tomoaki Yamada (Meiji University)

### Overview:

Many panel surveys of family expenditure use “recall” data, i.e., the surveyed households are required to recall their expenditures on food, clothes, and other necessities in the previous month. In general, expenditure data in panel surveys exhibit strong volatility, and this finding contradicts the standard consumption theory. However, reasons for the observed volatility are difficult to identify, since measurement errors and transitive components in the expenditure are difficult to separate. In this project, we utilize detailed marketing data based on a commodity-level long-run panel survey, supposedly less subject to measurement errors, to estimate a dynamic household model of consumption and labor supply. We pay special attention to the span of consumption smoothing, the household level price index, and time allocation.

This project is closely related to the Research Center for Price Dynamics (RCPD) at Hitotsubashi University, which was founded in 2006 as a core center for pursuing inflation dynamics and a monetary policy based on micro price data. Since its inception, RCPD has accumulated and constructed a rich database of commodity prices. RCPD also has created and extended its research networks and held numerous conferences. We expect that the collaboration between RCPD and this research project will lead to productive academic achievements.

### Research Methods:

There likely are two principal causes for the volatility of expenditures found in many panel surveys: (1) measurement errors in the data and (2) the

expenditures themselves. Since the scanner reader generates marketing data at the point of consumption, the data gathered are supposed to be more accurate than standard recall-based consumption data.

The dataset in this project is derived from the Household Consumer Panel Research (SCI) dataset compiled by Intage, a marketing company in Japan. SCI began in 1964 as a diary survey. A randomly selected set of 12,000 households from across Japan installed a barcode reader in their houses and scanned commodities they purchased daily. The data scanned are transferred automatically to the data center of Intage through a high-speed network. SCI is virtually the only available homescan data source that covers all of Japan.

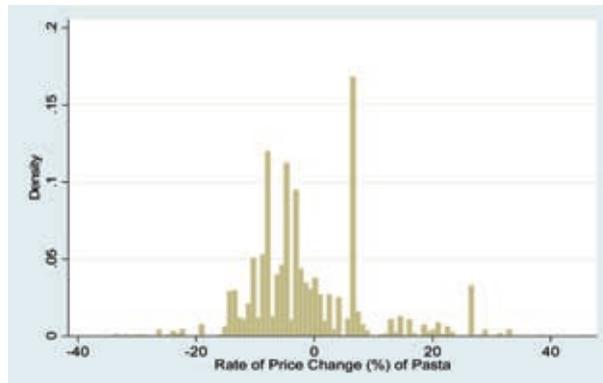
SCI records (1) the commodity code (JAN code) that is supposedly a unique commodity identifier, (2) the shopping date, (3) the price and quantity of each commodity, and (4) the name of the store. In addition, once a year, sampled households record their basic information, such as the age of a husband and wife, income, and educational background. The sample households are restricted to married couples where the wife is younger than 70 years. The same households are tracked for a maximum of 10 years, which provides daily household- and commodity-level panel data.

The advantage in using such marketing data over standard data is clear. For example, let us consider prices of pasta. In Japan, 800 different pastas are sold. In the standard data of prices, such as by the statistical bureau, the price of representative pasta is recorded.



A barcode reader

The following figure illustrates the distribution of the rate of price change of 800 different pastas between 2004 and 2006. Thus, it is obvious that there is strong heterogeneity in the movements of prices within this single commodity category.



Rate of price change of different pastas

A consumer who purchases pasta during periods of lower inflation enjoys more favorable prices than a

consumer who buys pasta during periods of higher inflation. This implies that consumer prices are heterogeneous across households. Even during inflationary and deflationary periods, commodity prices generally exhibit different movements, i.e., prices of some goods increase while others stay constant or decrease. If the elasticity of substitution of prices is different among households, the household price level may also differ. Since we can utilize information on actual household-level transaction prices, it is possible to investigate the relationship between the price level and household characteristics, such as labor status. Another topic to investigate in this project is the time allocation of households. Based on information about the price differential between convenience stores and supermarkets, we can estimate the opportunity cost of shopping and its determinants by household characteristics, such as the number of children in the household.

Many ongoing projects are based on scanner data, such as (1) the relationship between shopping strategy and price level heterogeneity across households, (2) female labor supply and home production, (3) the movements of prices and quantity traded before and after Japan's 2011 earthquake. The effect of the earthquake on consumer behaviors, particularly in the Tokyo metropolitan area, is of primary importance.

## International Comparison on Linked Employer-Employee Data (Grants-in-Aid for Young Scientists (A))

### ■ Project Leader

Ryo Kambayashi (Hitotsubashi University)

### ■ Members

Michael Bognanno (Temple University, the U.S.)

Alexander Hijzen (OECD, France)

Sebastien Lechevalier (EHESS, France)

Tor Eriksson (Aarhus School of Business, Denmark)

Hyeok Jeong (GRIPS, Japan)

Hiroshi Teruyama (Kyoto University, Japan)

Yuji Genda (University of Tokyo, Japan)

Takao Kato (Colgate Univ., the U.S.)

This research investigates the wage structure in labor markets by utilizing linked employer-employee data (LEED) of several countries. Since the traditional approach to wage equations is based on a theory of human capital, the effect of demand for labor on wages has not been well examined. In Japan, particularly, it is well known that the establishment characteristics affect wages, and previous empirical studies have implied those effects. Recently developed LEED can illuminate the effect of establishments' characteristics more directly. We explore the effects of those characteristics using data from Japan and other countries, such as Denmark and Germany.

The first step of this research is to create a dataset that includes individual wage information and the characteristics of establishments where the worker is

employed. We use micro data from the Basic Survey Wage Structure as the basic source of data for individual wages and merge it with other governmental surveys, including the Employment Trend Survey, the Survey on Labor-Management Communication, the Survey on Working Conditions, and the Monthly Labor Survey. From the Employment Trend Survey and the Monthly Labor Survey, we extract the labor flow structure of each establishment. The other two surveys convey information about institutions of human resource managements, such as unions and labor-management meetings. The second step is to investigate via wage equations by using matched data to see how the establishments' characteristics affect individual wages. Finally, we attempt to explain the recent transition of wage inequality from the viewpoint of establishments firms' effects.

## Research Departments

The different research departments form the pillars of the research system at the Institute of Economic Research. Taking a historical perspective, in 1949, when the remit of the Institute became to conduct "Comprehensive Research on the Japanese and the Global Economy," five research departments were established, "The U.S. Economy," "The Economy of the Soviet Union," "National Income and Production," "Statistics," and "Classical Economics," to which a sixth – "Japanese Economy" – was added the following year. A further reorganization followed in 1964, when there were ten research departments decided by a Ministry of Education ordinance, which were further expanded to 14 in 1977. According to the partial revision of the ministerial ordinance in 1978-79, the research departments were subsequently reorganized into larger units and became five "mega" departments, "The Japanese and Asian Economies," "The U.S., European, and Soviet Economies" (later "The U.S., European, and Russian Economies"), "Contemporary Economies," "Comparison of Economic Systems," and "Economic Systems Research," which are still in existence today. Moreover, a "Comparative Economics (Visiting Researchers)" research department was added in 1986 with the aim of fostering research exchange (later renamed "Comparative Economic Reform (Visiting Researchers)" research department), and in 1990, the "International Economic Issues (Foreign Visiting Researchers)" research department was added.

### Japanese and Asian Economies

Economic development based on industrialization in regions outside Europe and North America started in late 19<sup>th</sup>-century Japan and gradually spread to other regions in Asia in the second half of the 20<sup>th</sup> century. For that reason alone, Japan's experience has many implications for development policies in other Asian countries, and conversely, understanding current conditions in Asian countries and clarifying their historical experience helps the understanding of Japan's historical development process. Based on this perspective, this department is organized into four research units, respectively concentrating on the historical study of Japan's economy, the analysis of the Japanese economy from the beginning of the 20<sup>th</sup> century, the study of the Chinese and Southeast Asian economies, and the analysis of Asian economies from an interdisciplinary perspective.

### U.S., European, and Russian Economies

This department integrates the former "U.S. Economy," "British Economy and British Commonwealth," and "Economy of the Soviet Union" research departments and, furthermore, subsumes the research unit on Western European economies. As so-called advanced

economies, the U.S., British, Western European, and Russian Economies not only face many common issues, but are also closely linked through trade and foreign direct investment and these economic ties are likely to increase further. It is issues such as these facing the advanced economies that the research of this department focuses on.

### Contemporary Economies

The Contemporary Economies Research Department pursues both theoretical and empirical research on contemporary economic issues facing Japan and the world and aims to conceive economic policies and reforms of the economic system necessary to resolve these issues. The department is divided into four research units: a unit for the analysis of contemporary economic issues focusing on the analysis of various aspects since the collapse of the bubble economy in the early 1990s; a unit for monetary economics conducting research on monetary issues in Japan and related international comparative research; an international economics unit conducting research on international financial and foreign exchange issues; and a unit for public economics seeking to develop the foundations for non-welfaristic normative economic theory.

### Comparative Economic Systems

This research department focuses on the institutional analysis of market, planned, and transition economies. In particular, the research concentrates on the comparative institutional analysis of the free-market economic system and the planned economic system, the qualitative and quantitative analysis of transition economies, the examination of the various forms of capitalisms focusing, for example, on corporate governance, employment systems, management-labor relations, etc., research on economic thought as a basis for differences between economic systems, and research on economic thought and policy formation.

### Economic Systems Analysis

The Economic Systems Research Department unifies economic theory, statistical analysis and data management, and quantitative analysis. The underlying rationale is that by combining these different research areas in one department, they can cross-fertilize each other, thus leading to higher-order research results. The research units in this department conduct theoretical and empirical research on national income and wealth, fundamental theoretical research in statistics and the application of statistical methods in economic analysis, the development of econometric methods and their application, and the theoretical and quantitative analysis of economic systems.

## Faculty

● As of April 2011



### ABE, Naohito / Professor / Japanese and Asian Economies

1. Household consumption: model-building and structural estimation of Japanese household consumption and saving behavior
2. Economics of scanner data: investigation of purchasing behavior based on high-frequency marketing data
3. The Great East Japan Earthquake and its effects on prices and consumption  
<http://www.ier.hit-u.ac.jp/~nabe/>



### AOKI, Reiko / Professor / U.S., European and Russian Economies

1. Law and economics of intellectual property: IP and innovation, design of IP systems, standardization and IP, Asia Pacific Innovation Network
2. Economics of low fertility and population decline: economic analysis of super-low fertility, economic policy in the face of declining fertility and population, intergenerational studies workshop
3. Economics of science, technology, and innovation policy  
<http://www.ier.hit-u.ac.jp/~aokirei/englishtop.html>



### ARIMOTO, Yutaka / Associate Professor / Center for Economic Institutions

1. Institutional analysis of farmland consolidation and transactions in Japan
2. Comparative historical studies of exchanges, markets, and institutions with reference to Japanese experience
3. Economic study of HIV testing  
<http://www.ier.hit-u.ac.jp/~arimoto/>



### ASAKO, Kazumi / Professor / Economic Systems Analysis

1. Construction of business cycle forecast models
2. Business cycle analysis of regional economy
3. Analyses of environment and social capital



**FUKAO, Kyoji / Professor / Contemporary Economies**

1. Vertical Intra-Industry Trade and the Factor Content of Trade
2. Innovations and Total Factor Productivity: Empirical Analysis Based on Firm- and Industry-Level Data
3. International Comparison of Productivity
4. Estimation of Prewar Gross Prefectural Product in Japan Circa 1890-1940

<http://www.ier.hit-u.ac.jp/~fukao/index-e.html>



**HORI, Masahiro / Professor / Center for Intergenerational Studies**

1. Evolution of income and asset distribution among Japanese households and its impact on household consumption
2. The impact of bank failures on the performance of client firms in Japan
3. The evolution of trade in emerging Asia and its implications for international business cycle transmission



**INAGAKI, Seiichi / Professor / Center for Intergenerational Studies**

1. Development of a dynamic microsimulation model for Japan (INAHSIM)
2. Projections of the Japanese socio-economic structure
3. Policy simulation and evaluation for tax and social security reform plans



**IWASAKO, Tokuo / Associate Professor / U.S., European and Russian Economies**

1. Empirical investigation of the cross-section of Stock returns in Japan
2. Corporate restructuring and Japan's macroeconomic performance
3. US and world financial regulation in the post-global financial crisis era

<https://sites.google.com/site/tokuoiwasako/home>



**IWASAKI, Ichiro / Professor / Comparative Economic Systems**

1. Meta-analysis of the 20-year history of economic transformation in Eastern Europe and the former Soviet Union
2. Empirical institutional analysis of the Russian corporate system
3. Compilation of long-term statistics about industrial and construction production in Central Asia



**KAMBAYASHI, Ryo / Associate Professor / Japanese and Asian Economies**

1. Empirics on the effect of employment protection in Japan
2. Empirics on the efficiency of matching in Japanese employment agencies
3. Empirics on the change in Japanese labor markets during the 1990s and 2000s



**KITAMURA, Yukinobu / Professor**

**/ Research Centre for Information and Statistics of Social Science**

1. Microeconometrics: official micro data analysis of consumption, firm behavior, public pension, employment, health, marriage, and opinion survey
2. Monetary and fiscal policy: construction of an individual consumer price index, evaluation of inflation-linked bonds, estimation of income and consumption tax rate schedules, impact of electronic money on monetary policy
3. Economic history: history of interest rates, public bonds, financial institutions, money, and agricultural households

<http://www.ier.hit-u.ac.jp/~kitamura/index.html>



**KOBAYASHI, Keiichiro / Professor / Center for Intergenerational Studies**

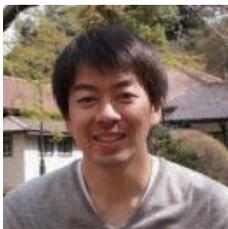
1. Theoretical frameworks for analysis of large economic fluctuations, such as depressions
2. Dynamic stochastic general equilibrium (DSGE) models incorporated with the banking system subject to runs



**KOBAYASHI, Yoshiyuki / Associate Professor**

**/ Research Centre for Information and Statistics of Social Science**

1. Legal and social institutional issues of using micro data from official statistics, Technical procedures necessary to make use of such data consistent with statistical theory
2. Construction of a system to enable the use of micro data sets obtained from statistics surveys in social science empirical analysis
3. Empirical study on anonymisation methods of micro data from official statistics



**KOGURE, Katsuo / Assistant Professor / Center for Economic Institutions**

1. Effects of social institutions on economic development and inequality
2. Empirical studies on economic development and inequality in Cambodia



**KUBONIWA, Masaaki / Professor / U.S., European and Russian Economies**

1. Studies on optimal growth paths, Industrial policy including auto-industry in Russia, and Compilation of BRICs international input-output tables
2. Estimation of historical long-run time series of GDP in Russia (1960s through 2020) and postwar China
3. Estimation of economic values of the environment including coral reefs and tundra



**KUMO, Kazuhiro / Associate Professor / U.S., European and Russian Economies**

1. Population studies for Russia and the Soviet Union
2. Regions in Russia and regional finance
3. Statistical studies of labor force and industrial location patterns in early Soviet industrialization
4. Globalization and its effects on the Russian/former Soviet Union economies

<http://www.ier.hit-u.ac.jp/~kumo/>



**KUROSAKI, Takashi / Professor**

**/ Japanese and Asian Economies, Center for Economic Institutions**

Microeconomic and microeconometric analysis of economic development

1. Poverty, vulnerability, and human capital in South and Southeast Asia
2. Credit market, communities, and economic development in Pakistan
3. Long-term growth process of agriculture in South Asia

<http://www.ier.hit-u.ac.jp/~kurosaki/>



**MORIGUCHI, Chiaki / Professor / Japanese and Asian Economies**

1. The economic analysis of child adoption: understanding child adoption and its implications for child welfare using contemporary and historical data in Japan, the U.S., and other countries
2. Economic inequality in Japan: the evolution of income inequality and wage disparity in Japan and their determinants from comparative and historical perspectives
3. Comparative historical analysis of Japan and China: exploring states' fiscal capacity and its implications for economic growth by comparing Japan and China in the 19th century



**NISHIZAWA, Tamotsu / Professor / Comparative Economic Systems**

1. Welfare economics and the welfare state in a formative age, Marshall and Marshallians on industrial economics, Keynes and British economic policy, Thatcherism and the transformation of the British welfare state
2. Anglo-Japanese comparison of economic thought and business education



**OGURO, Kazumasa / Associate Professor / Center for Intergenerational Studies**

1. Economic analysis of the relationship between public debt and intergenerational equality
2. Default risk on government bonds and the fiscal consolidation rule
3. Economic analysis of the economy with endogenous fertility and OLG

<http://homepage3.nifty.com/kazumasa-oguro/>



**OSHIO, Takashi / Professor**

**/ Economic Systems Analysis, Center for Intergenerational Studies**

1. The impact of social security programs on labor supply of the elderly
2. The impact of regional income disparity and poverty on self-rated health and happiness of individuals
3. The impact of tax reforms on social welfare



**SAKURAI, Takeshi / Professor / Japanese and Asian Economies**

1. Poverty and agricultural development in sub-Saharan Africa
2. Economic analysis of natural resource management in developing countries
3. Vulnerability and resilience of socio-ecological systems



**SATO, Masahiro / Professor**

**/ Research Centre for Information and Statistics of Social Science**

1. History of statistical survey systems in Japan, Britain and the former colonies of Japan:  
The process of development
2. Social history of modern Japan: Focusing on the popular perception of institutions  
imported from Western countries



**TAKEDA, Yuka / Assistant Professor / Comparative Economic Systems**

1. Empirical analysis of poverty and inequality in Russia
2. Empirical analysis of the labor market in Russia
3. Measurement of subsistence minimum in Kazakhstan



## TSURU, Tsuyoshi / Professor / Comparative Economic Systems

1. Analysis of intrafirm incentive mechanisms: A comparative quantitative analysis of performance-based pay systems in Japanese and North American auto sales firms
2. Analysis of product development and human resource management in East Asia: comparing Japanese, Korean and Chinese firms using case studies and questionnaire survey methods



## UESUGI, Iichiro / Associate Professor / Contemporary Economies

1. Corporate finance: SME financing, evaluations of government financing policies
2. Transaction networks among firms: dynamics, effects on economic activities



## WATANABE, Toshiaki / Professor / Economic Systems Analysis

1. Estimation of financial volatility using high-frequency data with its application to risk management, such as volatility forecasting, option pricing, and Value at Risk (VAR)
2. Bayesian analysis of macroeconomic models, such as DSGE models, DSGE-VAR models, time varying parameter VAR models, and Markov switching models using MCMC



## WATANABE, Tsutomu / Professor / Contemporary Economies

1. Research on inflation dynamics using micro price data
2. Research on optimal monetary and fiscal policy rules
3. Research on interfirm networks

<http://www.ier.hit-u.ac.jp/~ifd/>



**WU, Harry Xiaoying / Professor / Contemporary Economics**

1. Accounting for China's growth and productivity performance in both central planning and reform periods
2. International comparisons using purchasing power parities
3. Analysis of the role of government in economic development
4. The Chinese economy since the mid-1800s: initial conditions, structural changes, factor costs, and trade



**YOSHIHARA, Naoki / Professor / Contemporary Economics**

1. Analytical foundation for non-welfarist normative economics: Social choice based on non-welfarist normative principles and mechanism design
2. Axiomatic approach to the exploitation of labor: Characterizing market economies in terms of labor exploitation and deprivation
3. Game theoretic analysis of political competition with multi-dimensional policy spaces  
<http://www.ier.hit-u.ac.jp/~yosihara/>

## Research Centre for Information and Statistics of Social Science

<http://rciss.ier.hit-u.ac.jp/English>

### 1. Objective

The Research Centre for Information and Statistics of Social Science (RCISS) attached to the Institute of Economic Research (IER) was established to gather and manage social sciences-related information and statistics and, by making these widely available to researchers, to contribute to the advancement of research in the humanities and social sciences. Starting out as the Documentation Centre for the Japanese Economy attached to the Institute of Economic Research, which was set up in 1964 as a national resource center for the humanities and social sciences, it was subsequently expanded and reorganized, becoming the Japanese Economic Statistics and Information Centre, before taking its current name in 2002.

### 2. The IER and the RCISS

At present, there are four full-time academic staff that are attached to the RCISS and conduct research. Reflecting the division of the Institute itself into five major research departments (as well as a department for visiting researchers), the research and other activities of the RCISS are organized into five corresponding units, and the academic staff of the RCISS play an integral role in the large-scale research projects currently being undertaken by the Institute.

The RCISS, moreover, employs four full-time support staff as well as a large number of part-time staff that provide a variety of support services for the research activities of the Institute. In addition to fulfilling its objective of providing statistical and other information to researchers nationwide, the Centre also provides vital research support to the Institute by collecting and supplying the academic staff of the Institute with materials necessary for their research. With the Institute currently engaged in a number of large-scale research projects that involve the compilation of various statistical materials and the construction of major databases, the importance of this support function is rapidly increasing.

### 3. Current activities

The compilation and management of materials focusing on the Japanese economy and social sciences statistics are constantly ongoing and as of 2010, the holdings of the library amounted to 190,331 volumes as well as 208 journal titles. These materials are catalogued using an OPAC retrieval system based on the National Institute of Informatics cataloguing system (NACSIS-CAT), and are available to researchers nationwide for reference and photocopying.

As part of its expansion and reorganization in 2002, the RCISS took on a new role as the institution in charge of making available government micro data on a trial basis. Undertaken in collaboration with the Statistics Bureau of the Ministry of Internal Affairs and Communications, the provision of government statistical micro data on a trial basis reflects the fact that in recent years, demand for statistical data in the field of social sciences has shifted from macro to micro data. In addition, using such data, the RCISS has started to work on compiling and making publicly available original aggregate data that are of high academic interest but have not been constructed by the Statistics Bureau. With regard to research activities using the government statistical micro data, please refer to Section 4.2, "Microdata Analysis."

At the same time, the RCISS is continuing its services for researchers with regard to historical and macroeconomic data. The data of all 14 volumes of the highly regarded Long-Term Economic Statistics can all be accessed from the Centre's website. With regard to work on the collation and cataloguing of Japanese historical material on Japan such as Family Business Records and Town/Village Level Economic Performance, please refer to page 33 of this report. Finally, a major new task of the Centre is the compilation of a database from farm account and family budget surveys in pre-WWII Japan.

**4. Assessment of the trial to offer statistical micro data collected by the Japanese government** The RCISS has gained wide praise for its activities with regard to the trial system to make statistical micro data collected by the Japanese government available for academic

research, receiving an honourable mention for statistical activities from the Japan Statistical Association in 2006 and winning the Annual Prize for Statistical Activities awarded by the Japan Statistical Society in September 2007.

The reason for the award of the Prize for Statistical Activities was given as follows: "Although the standard of statistical surveys in Japan reaches an international level, the use of micro data lags behind that in Europe and the United States. The activities of this year's prize winner greatly expand the opportunities for the use of government statistical micro data, which hitherto faced many limitations, for empirical research in the form of anonymous sample data. It is therefore appropriate to commend this contribution, which provides the basis for raising empirical statistical research in Japan to an international level and will continue to play a large role even after the revision of the Statistics Law in May 2007."

One of the reasons that the RCISSS came to host the trial, which received such great acclaim, is that the RCISSS has been continuously involved in large-scale collaborative research projects using government statistical micro data. One example is a ground-breaking large-scale project funded by a Grant-in-Aid for Scientific Research on Priority Areas which obtained approval for the "use other than the original intent" of 33 designated statistics collected by five different government ministries.

#### 5. Compilation of a database from farm account and family budget surveys in pre-WWII Japan



One of the projects the RCISSS is engaged in at present is the compilation of a database from farm account and family budget surveys in pre-WWII Japan. Although an enormous collection of completed survey forms is available at Kyoto University, these so far have hardly been used as statistical micro data. For this reason, the RCISSS has been putting these forms on microfilm and is in the process of compiling a database from them. To date, the entry of survey information into the database is almost complete for four prefectures for the period from 1931 to 1941. In addition, surveys for 29 prefectures have been put on microfilm, and entry into the database of materials for the period from 1931 to 1941 has now begun. For the remaining 18 prefectures, surveys are currently being put on microfilm, and entry into the database is planned for the future.

The survey forms contain detailed information on individual agricultural households' farming activities as well as their consumption, assets, work time, etc. Once it becomes possible to use detailed micro data on the period when Japan was still a developing country, this will open the door to historical and empirical research on Japan's economic development. It is to this end that we are continuing with our efforts to compile this database.



## Center for Economic Institutions

<http://cei.ier.hit-u.ac.jp/English/index.html>

### Research director

Takashi Kurosaki (Professor, IER, Hitotsubashi University)

### 1. Objective and overview

The Center for Economic Institutions (CEI) is affiliated with the Institute for Economic Research at Hitotsubashi University and was conceived to expand the institute's research in new directions. Commencing operation on April 1, 2000, CEI was founded with two objectives:

- (1) To conduct systematic and basic research on economic institutions and related policy issues, focusing on Asian countries, including Japan
- (2) To become a leading Asian center for research into economic institutions and to establish a research network for this purpose.

To achieve its founding objectives, CEI chose primary research topics to be addressed over periods of three to six years. During the initial period from fiscal year 2000 to 2005, the research was conducted on the general topic of financial systems and corporate governance in Japan and Asia. This topic straddles the fields of money and finance, new institutional economics, and development economics.

CEI undertook a new research direction in fiscal year 2005 focusing on corporate systems in Japan and Asia, which continued until fiscal 2009. In April 2006, two sub-topics were added—a comparison of enterprise performance in East Asia and research into family-owned enterprises. In April 2008, another sub-topic was

added: the empirical analysis of dynamics of firms and industries.

### 2. Current research themes

CEI is currently pursuing two main research interests. In fiscal year 2010, we initiated research into the role of institutions in economic development in low-income developing countries in Asia and Africa. Research topics covered during the first decade of CEI research have been unified under the central theme of financial and corporate systems in Japan and Asia. By combining results of previous and new research, we hope to establish a theory and empirics of long-term and comparable economic development, focusing on economic institutions. As a platform to realize this aim, a five-year research project PRIMCED (Poverty Reduction, Institutions, Markets, and Policies in Developing Countries: Toward a Theory of Comparative Economic Development) has been under way with CEI as the research base since June 2010. This project is funded by the Grant-in-Aid for Scientific Research (S) (<http://www.ier.hit-u.ac.jp/primced/e-index.html>).

<Role of Institutions in Economic Development in Low-income Developing Countries in Asia and Africa> Sustaining economic growth and reducing poverty in developing countries are among the most urgent issues of the 21<sup>st</sup> century. To design policies toward overcoming those challenges, we must understand precisely how markets work in developing countries and how they are supported by various institutions and organizations, including indigenous or informal institutions not found in developed economies. To analyze these issues empirically, we need high-quality data for households, firms, and markets with detailed information on economic institutions. Currently available datasets are not satisfactory. Therefore, we are conducting a three-tier research strategy: (1) data collection by conducting original micro surveys in low-income developing countries and searching historical archives in Japan and Asia, (2) empirical analysis using these data to examine conditions under which a particular institution or policy is adopted and what impact it has on economic performance, and (3) comparison studies covering different countries and different periods (including pre-war Japan).





<Financial and Corporate Systems in Japan and Asia>  
 Understanding the role of institutions in financial and corporate systems in developed or nearly developed countries gives important insights into long-term development prospects for low-income developing countries. For this reason, we continue to research financial systems, corporate governance, and firm/industry performance in East Asia. In particular, we conduct empirical research of family enterprises, analysis of detailed historical data on economic institutions and production organizations in Japan, and empirical and comparative analysis of long-term economic development using the Asia Long-Term Historical Statistical Database. As byproduct of this research, we intend to complete the Japanese Large Shareholder/Board Members Database.

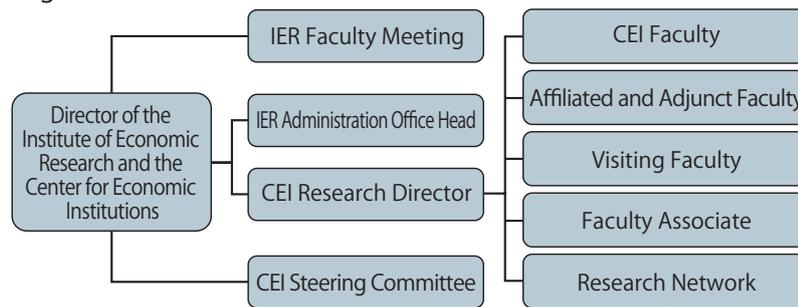
**3. International networks**

CEI aspires to be an international hub for research into economic institutions. To this end, CEI holds regular

research seminars, inviting domestic and international scholars to present their recent research. In fiscal year 2010, we held approximately 30 seminars with vivid and productive discussions. We occasionally hold international conferences co-organized with domestic and international research institutions. Our visiting program invites international scholars to stay at our center for at least three months. In fiscal 2010, we invited scholars from the Indian Statistical Institute (India), Paul Valery University (France), Australian National University, and the Russian Academy of Science.

We are dispatching CEI's research results in discussion papers, research papers, and databases. CEI is engaged in jointly creating various databases open to researchers. Currently, the East Asian Listed Companies (EALC) Database 2010 and the Large Shareholder/Board Members of the Listed Companies in Japan Database 2010 are available. The EALC database targets all listed firms in Japan, China, and South Korea (excluding the financial sector). It includes data necessary to measure total factor productivity at the company level. The periods covered are 1985 through 2007 for Japanese firms, 1985 through 2007 for South Korean firms, and 1999 through 2005 for Chinese firms. The Large Shareholder/Board Members database is available in Japanese and contains detailed information on corporate governance structure in Japan since the 1950s.

**Organization**



- University of Tokyo
- Waseda University
- The Chinese University of Hong Kong
- Seoul University
- Japan Center for Economic Research
- University of Warwick
- Australia National University
- Asian Development Bank
- SOAS
- Kyoto University
- Keio University
- Harvard University
- Nihon University
- University of Groningen
- Institute of Developing Economies,
- Japan External Trade Organization
- World Bank
- International Rice Research Institute
- Others

## Center for Intergenerational Studies

<http://cis.ier.hit-u.ac.jp/English/>

### 1. Objective

Founded in April 2007, the Center for Intergenerational Studies (CIS) comprehensively and systemically addresses intergenerational issues and offers concrete policy proposals. In April 2011, CIS began receiving regular funding from the Ministry of Education, Culture, Sports, Science, and Technology (MEXT).

Intergenerational issues concerning pensions, health and long-term care, and elderly employment have become pressing problems for Japan and other countries. These problems present challenges that require the type of economic analysis on which CIS places the most emphasis.

CIS provides a setting for uninterrupted research, continuously hosting fixed-term academic staff from domestic and overseas partner institutions and sharing the financial burden of such research. Through partnerships that transcend national borders as well as demarcations between the public, private, and academic spheres, CIS seeks to conduct internationally leading research, directly connect research and the actual locus of policymaking, and puts forward original policy proposals that overcome compartmentalized approaches.

Through these activities, CIS aims to form and maintain a high-quality research hub of global standing in the study of intergenerational issues.

### 2. Planned activities

The CIS is planning to build, maintain, and expand a network of domestic and overseas researchers working in the field of intergenerational issues in conjunction with other research institutions. Specific activities to promote research in this field are shown below. In addition, the CIS will hold regular international conferences, publish its research results in academic journals, and disseminate its work internationally.

#### *Medium-term objectives*

- To design sustainable and intergenerationally equitable pension and health care systems and policies.
- To conduct quantitative analyses of intergenerational replacement effects with regard to employment in Japan and make proposals for an intergenerationally equitable employment system.
- To examine intergenerational income gaps and formulate solutions.

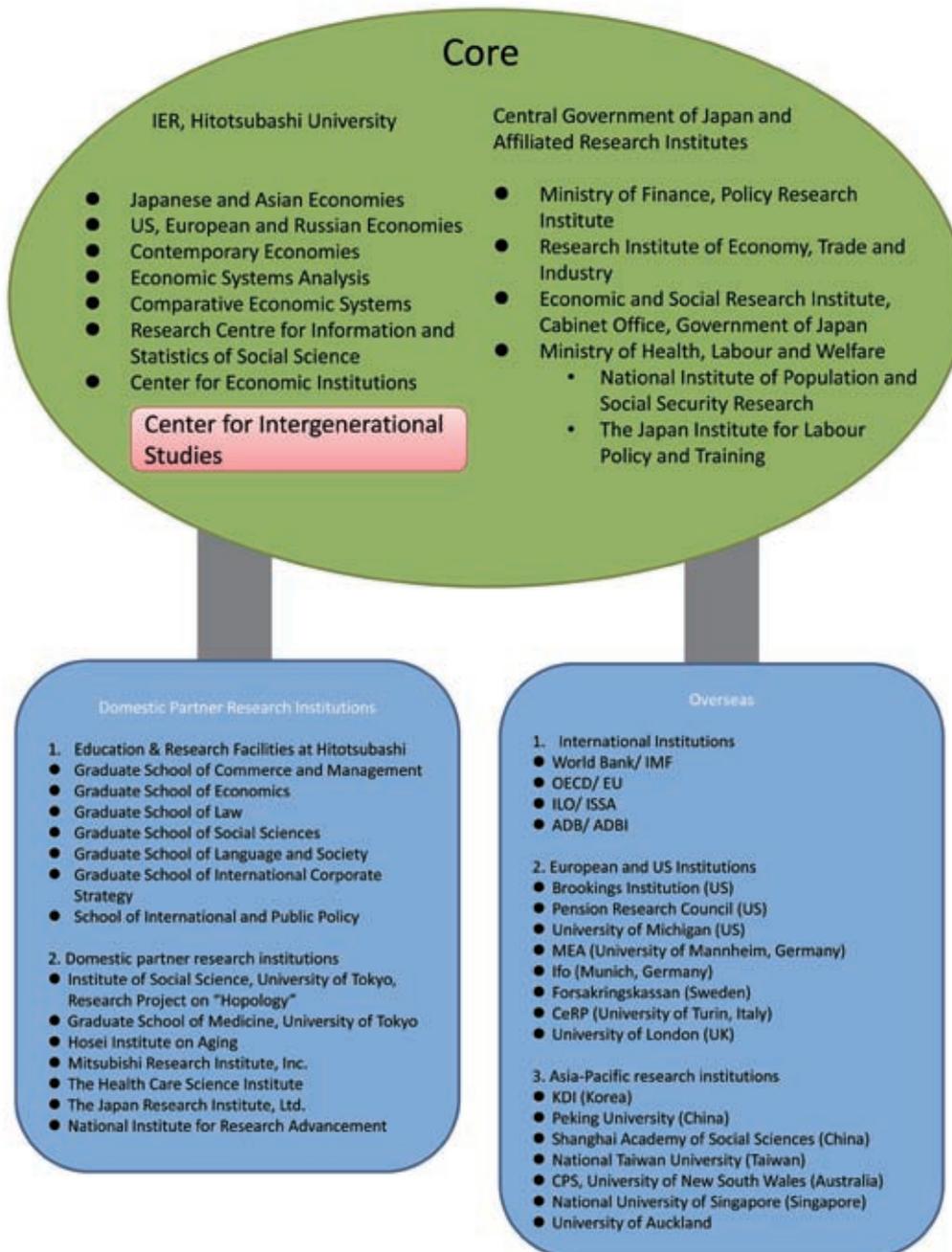
### 3. Organizational structure

The CIS is divided into two research sections. The current director is Professor Takashi OShio, whose term of office is two years from April 1, 2011.



## Setup and Operation of the Center for Intergenerational Studies

-- Formation of a globally leading research center through partnerships with domestic and overseas research institutions --



### Cooperation with core members to:

- Form of a virtuous cycle between theory and policy
  - to connect theoretical and quantitative research results with policy planning and design
  - to promote theoretical and quantitative research that meets policy needs
- Exchange personnel between government and academia
- Promote research collaboration between government and academia
- Share research expenses

### Cooperation with domestic research institutions to:

- Promote academic research
- Exchange personnel between government and academia
- Promote research collaboration between industry and academia
- Implement research results
- Share research expenses

### Cooperation with overseas research institutions to:

- Learn from the experience and lessons of other countries
- Draw on internationally available expertise
- Ensure research of the highest global standard
- Implement joint research and joint surveys
- Hold international conferences
- Share research expenses

## Russian Research Center

<http://www.ier.hit-u.ac.jp/rrc/>

### 1. Purpose

Established on November 1, 2007, the Russian Research Center (RRC) is an affiliate of the Institute of Economic Research at Hitotsubashi University. Its start came after the university became a National University Corporation and was triggered by a research commission from Toyota Motor Corporation that was accepted by the university as part of its active efforts to promote collaboration between academia and industry. The Institute has been a central location in Japan for research on the system of the socialist planned economy since the end of World War II and is widely recognized as continually leading Japan's research activities in the field of theoretical and empirical studies on the transition process of the former communist economic systems which started with the fall of the Berlin Wall in 1989. Therefore, the main focus of its studies is on the present Russian Federation which used to be the core of the Soviet Union. Taking advantage of accumulated knowledge and a dense network of researchers and academic research organizations from all over the world, RRC aims mainly to contribute to further development of research on the Russian economy at the Institute and build greater collaborative relationships between the Institute and industry by providing academic support to Japanese companies that have already established a foothold in Russia, or have such a plan.

### 2. The Institute and RRC

The current administration of RRC is organized as follows: the Director of the Institute acts also as the Director of RRC; five research staff members are two professors (one is a Research director of RRC), an associate professor and an assistant professor specialized in the U.S., European, and Russian economies, and economic systems, and a professor in sociology; fourteen research collaborators are outside researchers and academics; and two researchers work as RRC Researchers. The research topic for 2007-2008 concerns Russia's policy for its automobile industry, for which we conducted research on medium-term economic policies and government economic forecasts, interviews with people from, as well as experts on, the Russian government, and an extensive study of relevant documents. We started to expand the scope of our research from 2009 onward and plan to investigate (1) the framework for implementing industrial policies used by the federal government, including the legal system, (2) relationships between policy and business circles under the dual leadership of Medvedev and Putin, (3) the industrial structure of the market of automobile-related products, (4) government policy on the population and labor force, (5) issues surrounding the globalization of the Russian economy, including its

attempt to become a WTO member, and (6) the relationship between labor unions and foreign companies.

### 3. Research Activities

Following are current and past projects of RRC:

1. Toward Comparative Transition Economics: A Meta-Analysis of the 20-Year History of Post-Communist Transition to a Market Economy (Grant-in-Aid for Scientific Research A, 2011 – 2014)

See Section 2 – 1 of this bulletin for more details.

2. Determinants of Childbirth in Russia: Micro Data Approaches (Grant-in-Aid for Scientific Research B, 2011 – 2013)

This project investigates female decision-making on childbirth in Russia, combining studies of demography, labor economics, and sociology. Utilizing micro survey data from the Russia Longitudinal Monitoring Survey (RLMS), we examine the effects of gender division of labor in households, childbearing assistance systems, labor market situations, and household financial conditions on the decision to have children. In other words, we examine the relationship between female behavior and household-level economic, social, and demographic factors. This interdisciplinary study is intended to establish the foundation for microeconomic analysis of household behavior in transition economies, including Russia.

3. Research on the Future Prospects for Russia (Joint research project with the Society and Frontier Laboratory, Nissan Research Center, Nissan Motor Company, 2009)

This joint research project used scenario analysis to study Russian economic growth, industrial conditions, and the role of the automobile business in 2020. More specifically, the project examined (1) the situation of the Russian economy and industry, (2) Russia's future industrial structure and scenario for economic growth, (3) risks associated with these subject matters (the investment environment and infrastructure), (4) prospects for the Russian market, and (5) the



development of the automobile industry.

#### 4. Market Environment and Government-Business Relationship in Russia (Project selected by the university, 2008 – 2009)

To understand comprehensively the economic, political, and social aspects of Russia, this project was initiated to improve the informational foundation and maintain it at a level that provides useful information to the Japanese industry and government. Researchers conducted detailed analyses of the impact of Russia's medium-term market environment and politics on the dynamics of its domestic economy. The project spent two years conducting meticulous investigations into (a) issues surrounding Russia's WTO membership and the framework for industrial policies used by its federal government, (b) Russia's corporate governance and labor union system, medium-term forecasts on its population, and federal government policy addressing the labor force and the declining number of children,

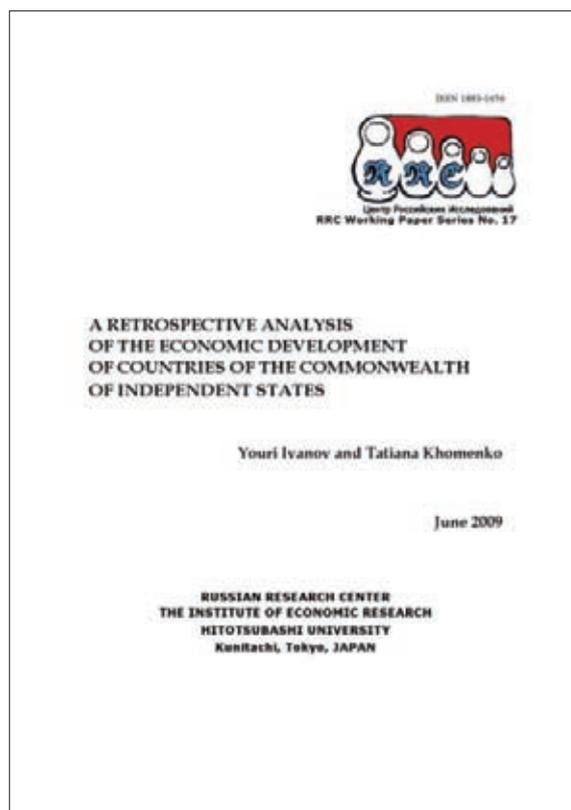


and (c) the government-business relationship under the Medvedev-Putin regime and the fiscal relationship between the federal and local governments.

5. De Facto Economic Zone and Industrial Policy of the Commonwealth of Independent States (CIS) (Research commissioned by Toyota Motor Corporation, 2008)

6. Russia's Policy for the Automobile Industry (Research commissioned by Toyota Motor Corporation, 2007)

In addition to these projects, RRC regularly holds research seminars and promotes communications among industry and academics worldwide who specialize in the Russian economy. Moreover, working papers of RRC's staff and other researchers on topics associated, directly or indirectly, with the Russian economy have been published (ISSN 1883-1656) and are available on RRC's website (issue no. 1 – 32 and a special issue as of June 2011).



## International Conferences

The institute frequently hosts or co-hosts major conferences as part of its collaborative research projects. The following are a small representative selection of conferences held in the past financial year.

### Asian Historical Economics Conference

Date	May 19-21, 2010
Venue	Tsinghua University, Beijing
Participants	Steve Broadberry (University of Warwick), Kyoji Fukao (Hitotsubashi University), David D. Li (Tsinghua University), Debin Ma (London School of Economics), Thomas Rawski (University of Pittsburg), Osamu Saito (Hitotsubashi University), Harry X. Wu (Hitotsubashi University), and others

### International Symposium "Two Asias"

Date	October 2, 2010
Venue	ICS, Hitotsubashi University
Participants	Masaaki Kuboniwa (Hitotsubashi University), Steven Rosefielde (University of North Carolina: UNC), Bruno Dallago (University of Trento), Chiara Guglielmetti (University of Trento), Iikka Korhonen (Bank of Finland), Mia Mikic (UN-ESCAP), Kazuhiro Kumo (Hitotsubashi University), Satoshi Mizobata (Kyoto University), Eric Brunat (University of Savoie)

### Asian Conference 2010 on Applied Micro-Economics/Econometrics

Date	November 5-6, 2010
Venue	Tokyo Prince Hotel, Tokyo
Participants	Fali Huang (Singapore Management University), Kamhon Kan (Academia Sinica), Daiji Kawaguchi (Hitotsubashi University), Ayako Kondo (Osaka University), Chul-In Lee (Seoul National University), Jungmin Lee (Sogang University), Myoung-jae Lee (Korea University), Thomas Lemieux (University of British Columbia), Ryo Nakajima (Yokohama National University), Hideo Owan (University of Tokyo), Ken Yamada (Singapore Management University), Shintaro Yamaguchi (McMaster University)

### Hitotsubashi GCOE Conference on International Trade and FDI 2010

Date	December 11-12, 2010
Venue	Mercury Tower, Hitotsubashi University
Participants	Richard Baldwin (Graduate Institute of International and Development Studies), Paola Conconi (Universite Libre de Bruxelles), Arnaud Costinot (Massachusetts Institute of Technology), Taiji Furusawa (Hitotsubashi University), Arghya Ghosh (University of New South Wales), Gene Grossman (Princeton University), Oleg Itskhoki (Princeton University), Ngo Van Long (McGill University), Kiminori Matsuyama (Northwestern University), Kaz Miyagiwa (Emory University), Hiroshi Mukunoki (Gakushuin University), Ralph Ossa (the University of Chicago Booth School of Business)

### International Workshop on Civil Service and Military Pensions

Date	January 20-21, 2011
Venue	Hitotsubashi Collaboration Center (HCC), Tokyo
Participants	Noriyuki Takayama (Hitotsubashi University), Edward Whitehouse (OECD), Junichi Sakamoto (Nomura Research Institute), Hyung-Pyo Moon (Korea Development Institute), Jae-Kyeong Kim (Government Employees Pension Service Research Institute, Korea), Stuart Leckie (Stirling Finance Limited), Mukul Asher (National University of Singapore), Tamara Finkelstein (Independent Public Service Pensions Commission), Robert Clark (North Carolina State University), John Piggott and Hazel Bateman (University of New South Wales), Ajay Shah (NIPFP (National Institute of Public Finance and Policy)), Renuka Sane (IGIDR (Indira Gandhi Institute of Development Research))

## Foreign Visitors

### Visiting and Adjunct Faculties in 2011 (until the end of September)

Name	Affiliation
Hoil Moon	
Hak Kil Pyo	Seoul National University
Iikka Korhonen	Bank of Finland
Jonathan J. Morduch	New York University
Kazuhiko Nishizawa	The Japan Research Institute, Ltd.
Kentaro Nakajima	Tohoku University
Noriyuki Takayama	Research Institute for Policies on Pension & Aging
Osamu Saito	Professor Emeritus, Hitotsubashi University
Peter Heller	Johns Hopkins University
Ralph Paprzycki	
Ramachandran	Indian Statistical Institute

### Foreign Visiting Scholar in 2011 (until the end of September)

Name	Affiliation
Amy Borovoy	Princeton University
Joon W. Nahm	Sogang University
Marcus Asplund	Royal Institute of Technology
Tue Gørgens	Australian National University
Tina Kao	Australian National University

URL: <http://www.ier.hit-u.ac.jp/English/faculty/visitors.html>

## The Economic Review



*Keizai Kenkyu* (*The Economic Review*) is a quarterly academic journal of articles in Japanese or English published by the Institute of Economic

Research. Each issue consists of submitted articles, invited articles, survey articles, and book reviews. Survey articles are long and comprehensive papers written by faculty members of the institute to publicize their research outcomes. The following is a selection of recent survey articles:

- ❖ Takayuki Mizuno, Tsutomu Watanabe and Yukiko Saito "Real Price Rigidities: Measuring Method and Application," (in Japanese) Vol.61, No.1, Jan. 2010.
- ❖ Takashi Kurosaki "Long-term Agricultural Growth in India, Pakistan, and Bangladesh," (in Japanese) Vol.61, No.2, Apr. 2010.
- ❖ Masaaki Kuboniwa "Diagnosing "Russian Disease": A Reappraisal of Growth and Structure of the Russian Economy," (in Japanese) Vol.61, No.3, July 2010.
- ❖ Ichiro Iwasaki "Endogenous Board Formation: An Empirical Analysis of Russian Joint-Stock Companies," (in Japanese) Vol.61, No.4, Oct. 2010.
- ❖ Tsuyoshi Tsuru, Hideo Owan and Katsuhito Uehara "Incentives and Gaming in a Nonlinear Compensation Scheme and the Influence of Ethnicity: Evidence from Transaction Data in North American Auto Dealerships," (in Japanese) Vol.60, No.1, Jan. 2009.
- ❖ Tangjun Yuan, Tokihiko Settsu, Jean-Pascal Bassino and Kyoji Fukao "Gross Prefectural Domestic Product and Industrial Structure in Pre-war Japan," (in Japanese) Vol.60, No.2, Apr. 2009.
- ❖ Kazumi Asako and Takashi Onodera "Business Cycle Analyses with Prefectural Business Index: Forecast Power of the CPBI," (in Japanese) Vol.60, No.3, July 2009.

- ❖ Tamotsu Nishizawa "Major Trends in Studies Published in the Economic Review after 1980," (in Japanese) Vol.60, No.4, Oct. 2009.
- ❖ Cumulative Indexes to *the Economic Review*: 1980-2008.
- ❖ Kazuhiro Kumo, Takako Morinaga and Yoshisada Shida "Long-term Population Statistics of Russia, 1867-2002," (in Japanese) Vol.59, No.1, Jan. 2008.
- ❖ Ryo Kambayashi "A Policy Report on the Availability of Microdata of Governmental Statistics: Onsite Research Centers of Bureau of Labor Statistics, Bureau of Census in the United States, and Statistics Canada," (in Japanese) Vol.59, No.2, Apr. 2008.
- ❖ Takashi Kurosaki "Wages in Kind and Economic Development: Their Impacts on Labor Supply and Food Security of Rural Households in Developing Countries," (in Japanese) Vol.59, No.3, July 2008.
- ❖ Noriyuki Takayama and Hiromichi Miyake "Pension Implementation Issues and Shifting to a Universal Pension in Japan," (in Japanese) Vol.59, No.4, Oct. 2008.

On the occasion of the launch of *The Economic Review* in 1950, Shigeto Tsuru, the director of the Institute at the time, observed:

"The aim *The Economic Review* is to address real economic issues and to provide a space in this quarterly journal for the global academic community to publish works that deliberately fall outside the established research arena." (Vol.1, No.1, 1950)

This mission continues today and *The Economic Review* serves as a forum for the publication of economic papers by scholars from Japan and abroad on "measurement with theory" and "theory with measurement" as well as for the assessment and proposal of economic policies.

## Economic Research Series/ Statistical Data and Documentation Series

### Economic Research Series (in Japanese)

The Economic Research Series presents the research results of members of the Institute, with typically one volume published a year.



### Economic Research Series

First published in 1953. As of the end of 2010, 59 regular volumes and 7 special volumes have been published. Publisher: Iwanami Shoten.

Awards: an Academy Prize, Nikkei Prize for Excellent Books in Economic Science, Annual Award for Research Monographs on Labour, Okita Memorial Prize for International Development Research, etc.



### Economic Research Series (in English)

First published in 1957. As of the end of academic year 2010, 41 volumes have been published. Publisher: Kinokuniya Shoten, Maruzen.

Awards: Prix Chaptal de la Recherche, La Société d'Encouragement pour l'Industrie Nationale (France), 2002.

### Statistical Data and Documentation Series (in Japanese)



This publication series makes available the results of the activities of the Research Centre for Information and Statistics of Social Science (such as the compilation, processing, and systemization of statistical data) for the convenience of a wide range of data users.

## Publications by the Research Centre for Information and Statistics of Social Science



Publications to make available the results of the activities of the Research Centre for Information and Statistics of Social Science (such as the compilation, processing and systemization of statistical data) for the convenience of a wide range of data users include the following.

- (1) Special bibliographies, indexes, and classification tables  
"Economic Performance at the County, Town, and Village Level," etc.; since 1964; 6 volumes published.
- (2) Statistical Data Series  
"Catalog of Statistical Materials on Imperial Japan and Overseas Territories," etc.; since 1973; 58 volumes published.

## Discussion Paper Series

### Discussion Paper Series

The Institute of Economic Research publishes the Discussion Paper Series listed below. Shown in parentheses is number of papers published in a particular series as of the end of 2009. The Discussion Paper Series are fully searchable in the Hitotsubashi University Repository (HERMES-IR) managed by the university library.



IER Discussion Paper Series (1990--present: A Series: 552 papers; B Series: 39 papers)

CEI Working Paper Series (2000--present: 201 papers)

PIE/CIS Discussion Paper Series (2000--present: 522 papers)

Understanding Inflation Dynamics of the Japanese Economy Working Papers (2006--present: 76 papers)

Global COE Hi-Stat Discussion Paper Series (2008 present: 200 papers)

## Library

<http://www.ier.hit-u.ac.jp/library/English/>

The IER Library started out as a reading room attached to the university library set up when in March 1949 the Institute of Research in East Asian Economy became the Institute of Economic Research. Since then, in order to support the Institute's theoretical and empirical research activities under the remit of conducting "Comprehensive Research on the Japanese and the Global Economy," the Library has been engaged in the systematic and comprehensive collection and provision of economic and statistical materials. Above all, the Library has been engaged in accumulating statistical publications and related materials from around the world which are indispensable for the empirical research activities at the Institute. In addition, the Library has been placing emphasis on the collection of statistical materials on the Asian area as a whole, including Russia and the Middle East. Moreover, the Library has been building up a rich collection of materials on the Soviet Union/Russia, which was identified as one of the key objectives by Professor Emeritus Shigeto Tsuru, who was elected as the first director of the Institute.

The Library's holdings are searchable in the university library's online catalog and are also made available for reference to non-university members, provided that this does not interfere with the Institute's education and research activities. Moreover, the IER Library is providing the metadata of Institute's discussion papers to the university's institutional repository.

In fiscal 2010, the library acquired 976 East Asian language (primarily Japanese, but also Korean and Chinese) volumes and 1,602 volumes in Western languages (including those on microfilm), for a total of 2,578 new volumes. As a result, as of the end of fiscal 2010, the library held 151,987 East Asian language volumes and 250,411 Western language volumes for a total of 402,398 volumes. In addition, again as of fiscal 2010, the library was keeping up-to-date its holding of 358 East Asian language periodicals as well as 333 Western language periodicals for a total of 691 current titles, and holds 3,036 East Asian language and 2,941 Western language journal titles (for a total of 5,977) overall. The number of electronic journals purchased separately from the university library is 28. Moreover, in fiscal 2010, the library was open on 241 days and had 2,574 users (of which 236 were non-university members), the number of loans was 5,471, the number of reference requests was 73, the number of interlibrary photocopy requests filled by the library was 328, and that made by the library was 49.

### Library Collection

- *Teiseiki Roshia no Kokka Toukei* (National Statistics of Imperial Russia) (Call No. VLc.78-39, AMF-L-35)
- *Amur Chousatai no Gyouseki Series* (Amur Survey Group Result Series) (Call No. VRc.42-5)
- *Marxshugi no Hata no Motoni* (Collection of Academic Research Works titled "Under the Marxist Banner") (Call No. ZVK-1, AMF-Z-10)

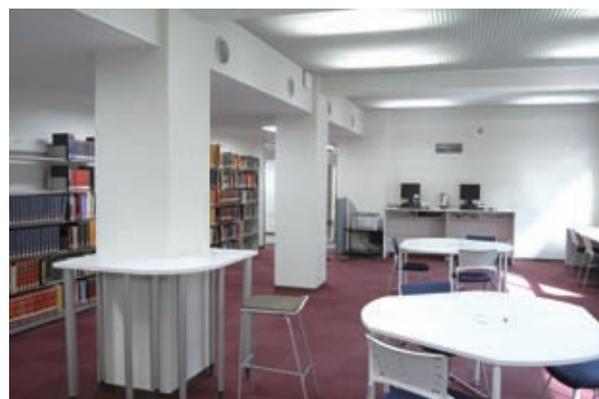
- *Vietnam Shijo Keizaika Shien Kaihatsu Seisaku Chousa* (Investigation for Organizing the Best Official Development Aid to Promote Marketization in Vietnam)  
<http://www.ier.hit-u.ac.jp/library/Japanese/collections/colidx-j.html>  
etc.



### Documents Donated by Professor Emeritus Shigeto Tsuru

The library makes publicly accessible the large amount of documents donated to the Institute by Professor Emeritus Shigeto Tsuru in the autumn of 2003, which include manuscripts and letters, and provides assistance for research and questions. Main documents are displayed at the Shigeto Tsuru Memorial Corner as permanent exhibits. The description and content of the documents are searchable on the Internet. If you would like to have access to documents, please make a request beforehand.

[http://www.ier.hit-u.ac.jp/library/Japanese/TSURU\\_shigeto/index.html](http://www.ier.hit-u.ac.jp/library/Japanese/TSURU_shigeto/index.html)



## Databases

The Institute of Economic Research has compiled vast amounts of statistical and bibliographical information, such as the Long-Term Economic Statistics, which it makes available to the public. The following provides a short introduction of the major databases compiled within the Institute and as part of large-scale projects.

### Long-Term Economic Statistics

#### Long-Term Economic Statistics (LTES) Database

The Long-Term Economic Statistics (Kazushi Okawa, Miyohei Shinohara, and Mataji Umemura, eds., Tokyo Keizai Shinposha 1965-1988) are a series of statistical compendia that provide a comprehensive systematic collection of carefully estimated and prepared historical statistics of modern Japan spanning a variety of economic activities. Conforming to the System of National Accounts, they present time-series economic statistics from the beginning of the Meiji period. The LTES Database contains the main economic statistics from the Long-Term Economic Statistics in a database format. <http://rciss.ier.hit-u.ac.jp/Japanese/database/long.html>

#### Asian Historical Statistics: Basic Data

As one of the subprojects of the Hi-Stat Project, the Asian Historical Statistics (ASHSTAT) Project provides estimates of long-term economic statistics on the Asian region spanning from the pre-World War II period to the present based on the System of National Accounts (SNA). The basic data used in the estimation process are made public on a trial basis. For currently available data, please refer to the following website. <http://hi-stat.ier.hit-u.ac.jp/research/database/ashstat.html>

Note: Part of the statistical data prepared under the 1995-2000 COE project is also available (see the website below). For access information, please read the notes for "Asian Historical Statistics: Basic Data." Please also note that the data were made public a while ago. [http://www.ier.hit-u.ac.jp/COE/English/online\\_data/index.html](http://www.ier.hit-u.ac.jp/COE/English/online_data/index.html)

### Industry- and Firm-Level Data

#### JIP Database 2010

The Japan Industrial Productivity (JIP) 2010 Database contains annual data for 108 sectors of the Japanese economy from 1970 to 2007 that can be used for total factor productivity (TFP) analyses. JIP is constructed and regularly updated by the data archive/supervisory group of Hitotsubashi University's Global COE Program Research Unit for Statistical and Empirical Analysis in Social Sciences (G-COE Hi-Stat) in collaboration with the research project—Study on Industry-Level and Firm-Level Productivity in Japan—of the Research Institute of Economy, Trade and Industry (RIETI). The database covers the entire Japanese economy and includes detailed sectoral data, such as capital service input indices, labor service input indices, and real capital stocks. Also featured are data for the nominal cost of capital by type of capital and industry, annual nominal and real input-output tables, and several supplementary tables such as statistics on trade, inward and outward FDI, and Japan's industrial structure. <http://www.rieti.go.jp/en/database/JIP2010/index.html>

#### Our contribution to EU KLEMS project

The G-COE Hi-Stat Program contributed to the construction of the EU KLEMS Database, which covers Japan, the United States, and EU countries up to 2007,

by providing the JIP 2009 Database re-calculated for EU KLEMS. This work is also in collaboration with RIETI's research project, the Study of Industry-Level and Firm-Level Productivity in Japan. <http://www.euklems.net/euk09i.shtml#top>

#### EALC Database 2010

The East Asian Listed Companies (EALC) Database 2010 principally targets all listed firms in Japan, China, South Korea, and Taiwan (excluding the financial sector). It includes data necessary to measure TFP at the company level. The periods covered are 1985 through 2007 for Japanese firms, 1999 through 2005 for Chinese firms, and 1985 through 2005 for South Korean and Taiwanese firms. The database is created by the Center for Economic Institutions (CEI) at Hitotsubashi University in collaboration with the Japan Center for Economic Research (JCER), the Center for China and Asian Studies at Nihon University (project leader: Professor Tomohiko Inui), and the Center for Corporate Competitiveness at Seoul National University (led by Professor Keun Lee). <http://www.jcer.or.jp/eng/research/database070528.html>

#### Original data aggregation/calculation

##### "The Center's Data"

The Research Center for Information and Statistics of Social Science supports the use of micro-data from government statistics. As part of the center's effort, it has started to independently collect and publish data which are not gathered by various data-collecting entities despite their importance from the perspective of researchers. Such data are called "the Center's data" and are collected according to academic inquiries of the time. <http://rciss.ier.hit-u.ac.jp/Japanese/database/special.html>

#### Database Guide / Data Access Service

##### Hi-Stat Guide (Hi-Stat Social Science Database Network)

The G-COE Hi-Stat Program, in collaboration with the IER Library, constructed the website "Hi-Stat Social Science Database Network," which presents databases created and collected by IER faculty and researchers. Databases include those compiled by the G-COE Hi-Stat Program and other projects. In addition, this website includes the databases purchased by IER as well as government survey micro data for which the micro analysis section of the IER supports secondary use. <http://www.ier.hit-u.ac.jp/histatdb/>

#### Household and labor statistics data

##### Japanese Study of Aging and Retirement (JSTAR)

The Japanese Study of Aging and Retirement (JSTAR) is a comprehensive survey to collect panel data concerning the lives and health of the elderly. It was established in 2007 and conducted by RIETI, Hitotsubashi University, and the University of Tokyo. The survey is designed to ensure, to the maximum extent possible, comparability with preceding surveys such as the Health and Retirement Study (HRS) in the United States, the Survey of Health, Aging, and Retirement in Europe (SHARE) in continental Europe, and the English Longitudinal Study of Aging (ELSA) in the United Kingdom. By analyzing JSTAR data, researchers can track specific characteristics of Japan's elderly population and make global comparisons of their characteristics. In this sense, JSTAR is Japan's first globally comparable panel data survey of the elderly. <http://www.rieti.go.jp/jp/projects/jstar/index.html>

## Microdata Analysis

In response to a report by the Science Council of Japan, the Research Centre for Information and Statistics of Social Science (RCISSS) attached to the IER set up a "Microdata Analysis Section" in 2002 to provide support for the use of government microdata. The objective of this section is to establish both the mechanisms and the facilities to allow researchers from all over Japan greater access to a wider range of unaggregated, individual-level data of government statistics in order to raise the level of empirical research in Japan. These activities formed part of the research of the 21<sup>st</sup> Century COE Program "Research Unit for Statistical Analysis in Social Sciences."

At the same time, the Statistics Bureau of the Ministry of Internal Affairs and Communications, based on the Official Agreement "New Directions in the Development of Government Statistical Services" (Meeting of the Heads of the Statistical Departments of the Cabinet Office and Ministries), examined ways to provide access to government microdata. Because the best way to make such data available for academic purposes can only be determined together with the academic community, the RCISSS – already conducting related research under the 21<sup>st</sup> Century COE Program "Research Unit for Statistical Analysis in Social Sciences" – was asked to collaborate in establishing a trial system to provide access to government microdata. Given that this request was in line with the objectives of the "Microdata Analysis Section," the RCISSS responded to this request and set up a trial system for the provision of anonymized government microdata for academic research by university researchers nationwide.

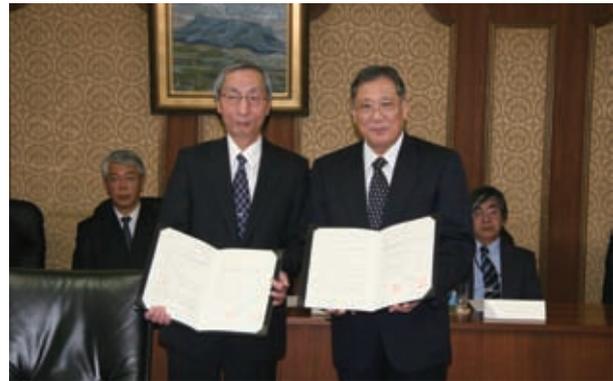
The experiences and results of this trial system were incorporated in deliberations on the guidelines for the actual provision of anonymous data based on the 2007 revision of the Statistics Act.

The trial system allowed the use of following four surveys: the *Employment Status Survey*, the *National Survey of Family Income and Expenditure*, the *Survey on Time Use and Leisure Activities*, and the *Housing and Land Survey*. Applications for use were accepted total 132 until the final application of October 2008.

Based on these activities, the RCISSS received an honorable mention for statistical activities from the Japan Statistical Association in 2006 and won the Third Annual Prize for Statistical Activities awarded by the Japan Statistical Society in September 2007.

In accordance with the new Statistics Act took effect on April 2009, the provision of anonymous data of official

statistics has been started. Hitotsubashi University made an arrangement with National Statistics Center (NSTAC) in March 2009, and commenced the provision of following four anonymous data from June, 2009: the *Employment Status Survey*, the *National Survey of Family Income and Expenditure*, the *Survey on Time Use and Leisure Activities*, and the *Housing and Land Survey*.



### 学術研究・高等教育のための公的統計マイクロデータの提供

～匿名データの提供を行っています～

国立大学法人一橋大学  
独立行政法人統計センター

一橋大学経済研究所附属社会科学統計情報研究センター（以下、本センターという。）は、独立行政法人統計センターと連携して、匿名化措置を施した公的統計マイクロデータ（匿名データ）を提供しています。国民の共有財産である統計データを高度に利用したいと考える全国の大学等の研究者に提供することにより、わが国の社会科学分野における実証研究の進展に貢献します。

#### 1 匿名データとは

匿名データとは、公的統計の作成を目的として各府省が収集した調査票情報を、特定の個人又は法人その他の団体の識別（他の情報との照合による識別を含む。）ができないように、加工したものをいいます。

#### 2 本制度の趣旨・法的根拠

統計データの利用促進を図るため、平成 21 年 4 月から全面施行された統計法（平成 19 年法律第 53 号。）第 36 条により、統計調査を実施する行政機関等が、その作成した匿名データを、学術研究又は高等教育の発展に資すると認められる場合に、一般からの求めに応じて提供することができることになりました。

一橋大学は、統計法第 37 条に基づき上記提供事務の全部委託を受けた独立行政法人統計センター（<http://www.nstac.go.jp>）と連携協力協定を結びました。本センターは連携協力協定に基づき、大学等の学術研究を目的とする機関の研究者、高等教育機関で教育を行う教員などを対象に、匿名データを提供します。

#### 3. 1 利用の目的

学術研究の発展や高等教育の発展に資することを直接の目的とする場合に利用できます。

#### 3. 2 利用者の範囲

申出者（匿名データの提供を受けようとする者）となるためには、自ら責任を持って学術研究の発展に資すると認められる利用を行い得る者、又は高等教育の発展に資すると認められる利用を行い得る者であることが必要条件となります。本センターでは下記の方たちを対象とします。

- ① 大学や学術研究を目的とする機関に所属する研究者（大学院生を含む）又は当該機関。
- ② 大学等の高等教育機関において講義・演習（以下「講義等」という。）の教育を行う教員又は当該機関。

※大学の学部学生は担当教員を申出者として利用してください。

## Extension Lectures

### Four University Alliance Lectures

In March 2001, Tokyo Medical and Dental University, Tokyo University of Foreign Studies, Tokyo Institute of Technology, and Hitotsubashi University entered a "Four University Alliance." The Four University Alliance Lectures form part of this.

<b>6<sup>th</sup></b>	<b>Date</b>	October 14, 2011
	<b>Place</b>	Hitotsubashi Kinen Hall
	<b>Lectures</b>	Kazuhiko Kasai (Tokyo Institute of Technology), Keiichiro Kobayashi (Hitotsubashi University), Ryoko Nishii (Tokyo University of Foreign Studies), Yuji Miyahara (Tokyo Medical and Dental University), Masanori Aritomi (Tokyo Institute of Technology)
	<b>URL</b>	<a href="http://www.aa.tufs.ac.jp/~yondai/">http://www.aa.tufs.ac.jp/~yondai/</a>
<b>5<sup>th</sup></b>	<b>Date</b>	October 8, 2010
	<b>Place</b>	Hitotsubashi Kinen Hall
	<b>Lectures</b>	Masanori Aritomi (Tokyo Institute of Technology), Kazumi Asako (Hitotsubashi University), Hirohide Kurihara (Tokyo University of Foreign Studies), Hitoshi Okazawa (Tokyo Medical and Dental University)
	<b>URL</b>	<a href="http://www.aa.tufs.ac.jp/~yondai/profile.html">http://www.aa.tufs.ac.jp/~yondai/profile.html</a> <a href="http://www.aa.tufs.ac.jp/~yondai/yousi.html">http://www.aa.tufs.ac.jp/~yondai/yousi.html</a>
<b>4<sup>th</sup></b>	<b>Date</b>	October 9, 2009
	<b>Place</b>	Hitotsubashi Kinen Hall
	<b>Lectures</b>	Ikuya Tokoro (Tokyo University of Foreign Studies), Reiko Aoki (Hitotsubashi University), Hirokazu Tamamura (Tokyo Medical and Dental University), Toshiharu Kagawa (Tokyo Institute of Technology)
	<b>URL</b>	<a href="http://www.sok.titech.ac.jp/kouenkai2009/">http://www.sok.titech.ac.jp/kouenkai2009/</a>
<b>3rd</b>	<b>Date</b>	November 27, 2008
	<b>Place</b>	Hitotsubashi Kinen Hall
	<b>Lectures</b>	Masaaki Fujii (Tokyo Institute of Technology), Ryo Kambayashi (Hitotsubashi University), Yoko Nagahara (Tokyo University of Foreign Studies), Joji Inazawa (Tokyo Medical and Dental University)
	<b>URL</b>	<a href="http://www.tmd.ac.jp/mri/kouen081127.html">http://www.tmd.ac.jp/mri/kouen081127.html</a>
<b>2nd</b>	<b>Date</b>	December 4, 2007
	<b>Place</b>	Hitotsubashi Kinen Hall

**Lectures** Michikazu Hara (Tokyo Institute of Technology), Tsutomu Watanabe (Hitotsubashi University), Yoshihiro Ogawa (Tokyo Medical and Dental University), Hidemitsu Kuroki (Tokyo University of Foreign Studies)

**URL** <http://www.sok.titech.ac.jp/kouenkai/H191204/index.html>

**1st** **Date** October 30, 2006

**Place** Hitotsubashi Kinen Hall

**Lectures** Noriyuki Takayama (Hitotsubashi University), Kenji Yasuda (Tokyo Medical and Dental University), Ichiro Majima (Tokyo University of Foreign Studies), Shizuo Hayashi (Tokyo Institute of Technology)

**URL** <http://www.ier.hit-u.ac.jp/kouenkai0610/>

### Hitotsubashi University Extension Lectures

Hitotsubashi University organizes a series of extension lectures that aim to contribute to the local community by making available the learning of its scholars to a wider audience. These extension lectures are held on the university campus and enjoy the backing of the Boards of Education of the cities of Kunitachi, Kodaira, Tachikawa, Fuchu, Musashimurayama, and Kokubunji.

#### Autumn 2011 Extension Lectures

**Date** October 1 to October 22, 2011 (four lectures in total)

**Place** Hitotsubashi University

**Lectures** Takashi Oshio, Seiichi Inagaki, Kazumasa Oguro, Reiko Aoki

**URL** [http://www.hit-u.ac.jp/extramural/open\\_lecture/index.html](http://www.hit-u.ac.jp/extramural/open_lecture/index.html)



## History

The Institute of Economic Research was officially founded as a research organ of Hitotsubashi University under the National Universities Foundation Law, Article 4, in 1949, with a mission to “conduct comprehensive research on the economies of Japan and the rest of the world”. This section briefly outlines the history of the Institute.

The forerunner of the Institute originated in the president of Tokyo College of Commerce, Doctor of Law Ueda Teijiro’s plans to set up a research institute within the College to “conduct theoretical and empirical research on the economies of various East Asian countries”. By chance, when Tokyo Fire and Marine Insurance Co., president Kagami Kanekichi, passed away in 1939, his will included a request to donate 500,000 yen to the Tokyo College of Commerce. On March 22, 1940, permission was granted to establish the “Tokyo College of Commerce Kagami Scholarship Foundation”. Subsequently, a “Research Institute of East Asian Economies” was set up within the College library; it was decided that for the next 10 years, 50,000 yen per year would be provided from the Kagami fund as the operating budget for the Institute. Prof. Ueda was appointed the first Institute Director, while three professors of the College, Akamatsu Kaname, Sugimoto Eiichi, Yamanaka Atsutaro, and assistant professor Odabashi Teiju formed the four-person board of directors to help steer the Institute.

During the period, it was extremely difficult to operate an institute of social sciences, and the Institute was no exception. Especially since the budget was small but the results expected were great, the difficulties faced by the Institute were particularly formidable.

The two major guiding research principles were, “research must be empirically-grounded” and “the topics covered should not overlap with those of the departmental curricula”. In consequence, research areas divided by area and industry were chosen, and the following research sections were established: 1. Statistics; 2. Population; 3. Primitive industry; 4. Light industry; 5. Chemicals industry; 6. Heavy industry

(including mining); 7. Transportation; 8. Commerce (including finance, and trade).

To integrate the above research sections, a separate General Research Group was set up, and the Research Division director was appointed the chair of the Group. The Institute structure comprised of one Institute Director, and under him, four divisions--the Research Division, the Documents Division, the Statistics Division, and the Administrative Division. A director and members were appointed to each Division. Prof. Akamatsu was appointed director of the Research Division, while Prof. Sugimoto headed the Statistics Division, and Prof. Odabashi assumed the directorship of the Documents Division. The post of Administrative Division director was left vacant. Each director was responsible for guiding the technical aspects of division projects.

The centerpiece of research activities was of course the Research Division, but after three researchers were selected, no more appointments were made. To support the Division, two faculty members from the main College (a professor and an assistant professor) were given joint appointments. Amid these plans, Institute Director Ueda suddenly passed away in May 1940, and the president of Tokyo College of Commerce Prof. Takase Sotaro succeeded him as the Director of the Institute. During these years, Director Takase initiated a fundraising drive to collect operating capital from the Tokyo College of Commerce and the private sector, and in June 1942, 6 million yen collected in endowments. This money was used to establish the Tokyo College of Commerce Scholarship Foundation, with Prof. Takase serving as Foundation director. The Foundation’s principal objective was the “financial support of the activities of research institutes” and to this day, it has functioned in this capacity.

The main research projects conducted in 1941-42 were, “Characteristics of Chinese Agriculture” (Abe Genichi); “History of Japanese Flour Milling” (Izumi Mitsuyoshi); “Survey of Chinese in Japan” (Uchida Naosaku);

“Research on Agricultural Production Indices for Japan, Korea, Taiwan” (Yamada Isamu), among others. Of these, Prof. Yamada’s research on agricultural production index was published as the first issue of the Institute’s research bulletin published in March 1942 (Toa Keizai Kenkyujo sosho, No.1).

Director Takase had planned for the Institute’s recognition by the government for some time, and his efforts bore fruition on February 5, 1942, when under Imperial Ordinance No.70, and governmental colleges of commerce regulations were partially revised. In the revision, the government recognized the Institute as a research organ within the Tokyo College of Commerce (i.e., a government organ), and formally defined the research objective as conducting “comprehensive research on the economies of East Asia”. Under the government school system, full-time faculty included five appointments at each of the three ranks of professor, assistant professor, and researcher associate. Prof. Takase retained his post as Institute Director under the new constitution. Additionally, the Institute hired several contract Researchers using the Scholarship Foundation funds, and listed a number of faculty from College departments as joint appointments. In December 1942, the first Research Annual of the Research Institute of East Asian Economies was published.

In the postwar period, the Institute started anew along with the dramatic changes in the larger environment and revisions in various governmental regulations. On March 20, 1946, under Imperial Ordinance No.155, the Regulations for government economics universities were revised, and the “Research Institute of East Asian Economies” renamed the “Institute of Economic

Research”. Article 22, Clause 2 of the Regulations, defined the research objective of the Institute as “comprehensive research on the economies of the nations of the world”. In August of the same year, when Director Takase retired, the president of Tokyo College of Commerce, Prof. Uehara Senroku was appointed temporary caretaker of the Institute. In March 1947, Prof. Otsuka Kinnosuke became Institute Director. One year later, in March 1948, the basic research platform was revised from the previous “industry-specific research on Asian economies” to “area-specific research on the economies of Japan and the world”. In November 1949, professor of the Institute Tsuru Shigeto became the first Director selected from within the Institute.

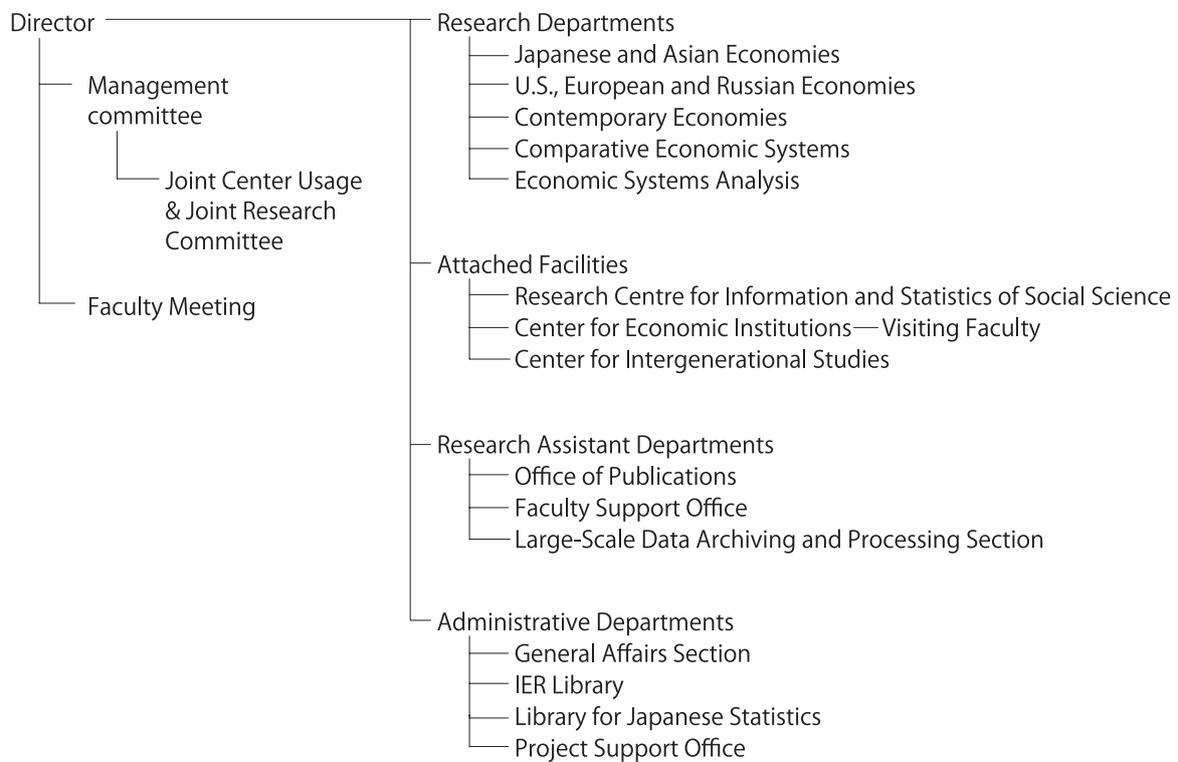
From 1949 on, the Institute research sections have continued to grow, so that by 1977, the Institute contained 14 research sections. As part of a two-year plan decided in 1978 aiming at the expansion and reorganization of research activities, research sections were organized into five major research sections. The plan was completed in FY 1979.

In fiscal year 2000, the Center for Economic Institutions was established.

In April 2004, as part of the incorporation of national universities in Japan, the Institute was reorganized as the Institute of Economic Research affiliated with Hitotsubashi University National University Corporation.

In fiscal year 2006, the Center for Intergenerational Studies was established. At present, the Institute has five research sections, and three affiliated research centers.

### Organization



Personnel; as of 1st April, 2011

	Professor	Associate Professor	Assistant Professor	Research Associate/ Assistant	Foreign Visiting Faculties	Part time Researcher	Foreign Visiting Scholar	Fellow	Total
Member	22	7	3	6	2	29	1	1	71

\* Including adjuction posts for "Professor", "Assistant Professor" and "Research Associate".

\* Including JSPS post doctoral fellow for "Fellow".

### Building

	Building Area	Gross Floor Area
Institute of Economic Research	1,541m <sup>2</sup>	5,261m <sup>2</sup>
Institute of Economic Research Annex	155m <sup>2</sup>	155m <sup>2</sup>
Research Centre for Information and Statistics of Social Science	329m <sup>2</sup>	1,000m <sup>2</sup>
Total	2,025m <sup>2</sup>	6,416m <sup>2</sup>

## Budget

Operational Budget from the Ministry of Education, Culture, Sports, Science and Technology	General Operational Budget		¥116,146 thou.
	Special Grants of Education and Research	Joint Usage/Research Center: Center for Empirical Analysis on Japanese and Global Economy	¥18,921 thou.
	Selected Projects by the University	Expansion of the Japan Industry Productivity (JIP) Database and Construction of an International Network for Building a Productivity Database	¥5,000 thou.
		A Study on Comparative Economic Development of Market Institutions: The Case of Rice	¥3,000 thou.
		Hitotsubashi International Fellow Program	¥476 thou.
Supporting Grants of Operational Expenditures (share of IER)			¥18,898 thou.

Fiscal Year 2011

Global Centers of Excellence (COE) program		
Research Unit for Statistical and Empirical Analysis in Social Sciences	¥148,424 thou.	/ 1 project
Research Unit for Statistical and Empirical Analysis in Social Sciences		
Grant-in-Aid for Scientific Research (S)	¥26,100 thou.	/ 1 project
Grant-in-Aid for Scientific Research (A)	¥65,700 thou.	/ 7 projects
Grants-in-Aid for Scientific Research (B)	¥16,500 thou.	/ 4 projects
Grants-in-Aid for Scientific Research (C)	¥1,900 thou.	/ 2 projects
Grant-in-Aid for Young Scientists (S)	¥14,300 thou.	/ 1 project
Grant-in-Aid for Young Scientists (A)	¥1,400 thou.	/ 1 project
Grant-in-Aid for Young Scientists (B)	¥4,100 thou.	/ 3 projects
Grant-in-Aid for JSPS Fellows	¥700 thou.	/ 1 project
Health and Labour Sciences Research Grants	¥4,760 thou.	/ 1 project
Strategic Funds for the Promotion of Science and Technology	¥3,575 thou.	/ 1 project
Joint Research Projects/ Sponsored Research Projects		
	¥25,220 thou.	/ 4 projects
Donations		
	¥1,500 thou.	/ 1 project
<b>Total</b>	<b>¥314,179 thou.</b>	<b>/ 28 projects</b>

## External Evaluation

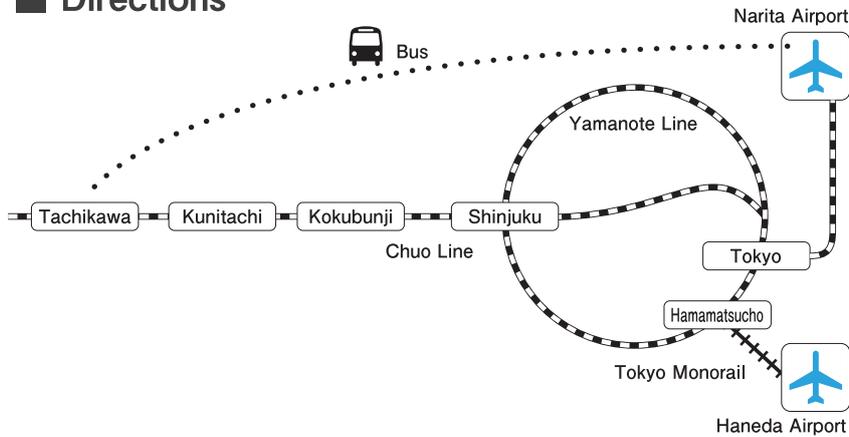
	Publication of report	Main areas of assessment	Evaluation committee members
1st	June 1997	(1) Research activities of the Institute overall and state of research in individual departments. (2) Budgeting directly related to research, and procedure of budget allocation.	Tsuneaki Sato (Professor Emeritus at Yokohama City University), Takafusa Nakamura (Professor Emeritus at University of Tokyo), Shozaburo Fujino (Professor Emeritus at Hitotsubashi University)
2nd	March 1999	(1) The coordination of the use of computer equipment between the research departments of the IER, the RCISSS, etc., and the administration. (2) Evaluation in terms of personnel and organization. (3) Evaluation in terms of facilities and infrastructures. (4) Evaluation of sufficiency of services and staff support. (5) Network and databases (including the publication of information).	Masaaki Shibuya (Takachiho University), Hiroshi Sadamichi (Kyoto University), Tomoyuki Tarumi (Okayama University), Yasumasa Baba (Institute of Statistical Mathematics)
3rd	March 2001	(1) Examination of research activities and output of the Institute overall and individual research departments. (2) Evaluation of contribution to national and international conferences and contribution to society. (3) Overall evaluation of the IER as a research institute affiliated with a national university.	Hiroyuki Okada (Professor Emeritus at Hosei University), Yoshiyasu Ono (Institute of Social and Economic Research), Yonosuke Hara (Institute of Oriental Culture), Akiyoshi Horiuchi (University of Tokyo)
4th	October 2003	(1) Examination of the operations of the RCISSS such as the compilation, management, and use of statistical information. (2) Examination of the activities of the academic staff of the RCISSS. (3) Overall evaluation of the RCISSS as an information center in terms of its contribution to academia and society.	Kazuhiro Igawa (Kobe University), Sadanori Nagayama (Japan Statistical Association), Konosuke Odaka (Hosei University), Yuzo Yamamoto (Kyoto University)
5th	September 2006	(1) Research system and research activities from an overall organizational perspective. (2) Research level and output of large-scale research projects and the Center for Economic Institutions. (3) The research support structure.	Kazuhito Ikeo (Keio University), Masayuki Iwata (Tokyo International University), Makoto Ohta (Waseda University), Charles Yuji Horioka (Osaka University)

## Contributions to Graduate Education

	Masters	Ph. D	Year
1. No. of students whose main advisor for their doctoral thesis was a staff member of the IER	29	3	FY 2010
2. No. of students whose main academic supervisor is an academic staff member of the IER	36	35	FY 2011
3. No. of students attending seminars offered by an academic staff member of the IER	9	16	FY 2011

# Access

## Directions



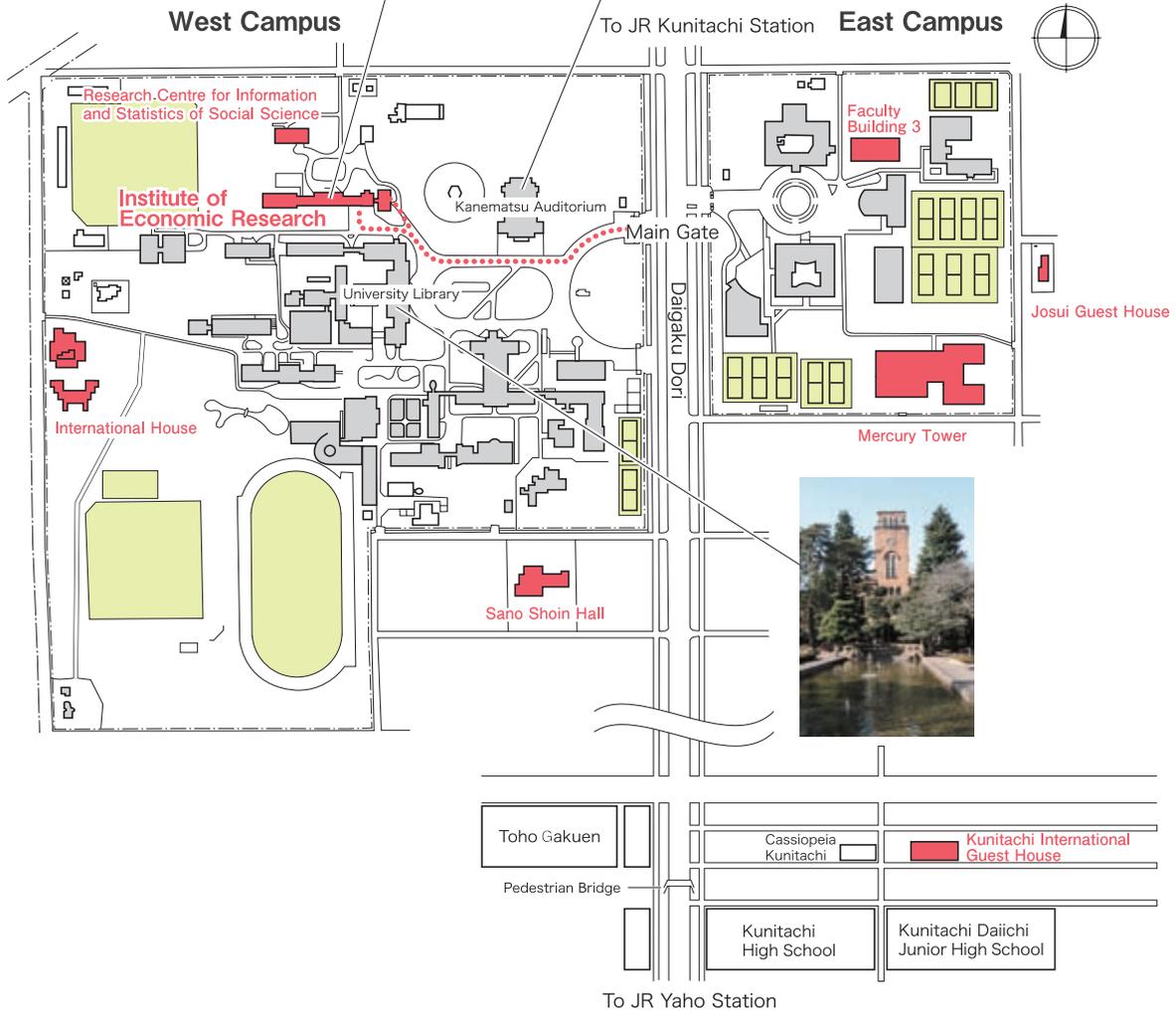
### ● From Narita International Airport

Take the Narita Express to Tokyo Station (approximately 60 minutes) or Shinjuku Station (approx. 80 minutes), then change to Chuo Line. Take the Chuo Line train to Kunitachi Station. Hitotsubashi University is approximately a 10-minute walk from the South Exit. Alternatively, take the Airport Limousine bus from the airport to Tachikawa Station (approx. 170 minutes). Take the Chuo Line from Tachikawa Station to Kunitachi Station, it takes approximately 3 minutes.

### ● From Haneda Airport

Take the Monorail to Hamamatsucho Station (approx. 25 minutes), then change to Yamanote Line. Take the Yamanote Line train to Tokyo Station (approx. 6 minutes), then change to Chuo Line. Take the Chuo Line train to Kunitachi Station (approx. 60 minutes).

## Campus Map



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