



**INSTITUTE OF ECONOMIC RESEARCH  
HITOTSUBASHI UNIVERSITY**

**2014**



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# 1 Message from the Director



Director, Institute of Economic Research (IER)  
FUKAO, Kyoji

This institute was started 73 years ago, on April 1, 1940, in a room of the library at Tokyo University of Commerce (now Hitotsubashi University). The institute's name was changed to the current name, the Institute of Economic Research, soon after the end of World War II. The Institute has produced a significant amount of research output as a research organization affiliated with Hitotsubashi University and conducts comprehensive research on the Japanese economy and the world economy.

The Institute presently consists of five research departments (Japanese and Asian Economies; U.S., European, and Russian Economies; Contemporary Economies; Comparative Economic Systems; and Economic Systems Analysis) and four affiliated research centers (the Research Centre for Information and Statistics in the Social Science, the Center for Economic Institutions, the Center for Intergenerational Studies, and the Research Center for Economic and Social Risks). The Institute is the largest affiliated economic research institute among the Japanese national universities and has the second longest history, next to Kobe University's Research Institute for Economics and Business Administration, which was established in 1919.

The strengths of the Institute include outstanding research conducted by individual researchers, as well as the following two characteristics.

First, the Institute has a long history of engaging in large-scale collaborative research projects which many researchers joined as team members. From the 1950s to the 1980s, the Institute published the Long-Term Economic Statistics series (LTES; 14 volumes in total) with support from the Rockefeller Foundation and other organizations, and its current engagement is the publishing of the Asian Historical Statistics series (a total of 12 volumes planned) which began with the Center of Excellence (COE) program that provided funds for basic research (the predecessor of the 21st Century COE program). Also, the Institute engaged in two 21st Century COE programs (entitled "Research Unit for Statistical Analysis in the Social Sciences" and "Normative Evaluation and Social Choice of Contemporary Economic Systems") from 2003 to 2007 and the Global COE program entitled

"Research Unit for Statistical and Empirical Analysis in Social Sciences (Hi-Stat)" from 2008 to 2012 which was intended to be an extension of the two preceding programs. The post-project evaluations for FY2008 Global COE Program have been released by the Ministry of Education, Culture, Sports, Science and Technology. Our Global COE Program was given the evaluation rank of "A." This is the best rank, meaning that "established objectives are fully achieved."

The large-scale projects supported by Grants-in-Aid for Scientific Research ("KAKENHI") that are currently underway include a study on poverty reduction in developing countries and their institutions, markets, and policies based on the theory of comparative economic development (PRIMCED) (KAKEINHI for Scientific Research (S)), a Hitotsubashi project on real estate, financial crisis, and economic dynamics (HIT-REFINED) (KAKENHI for Scientific Research (S)), and six other projects (KAKEINHI for Scientific Research (A)). In addition, in cooperation with four government agencies, the Center for Intergenerational Studies is examining issues surrounding pension programs, declining birth rates, and population aging. The Center for Economic Institutions is conducting research on corporate governance and employment in East Asia and research on economic development in Asia and Africa. In addition, the Research Center for Economic and Social Risks, the Russian Research Center, and the Research Center for Normative Economics are conducting research on productivity and other economic issues.

With an open application process, these collaborative research projects have been accessible to both international and domestic researchers, and a tight global network of researchers centering on the Institute has been built. For example, the Institute played the central role in establishing the Asian Historical Economics Society in 2012. Furthermore, by providing on-the-job training or research support in cooperation with the Hitotsubashi University economics department, the Institute has contributed to training a number of top graduate students and young researchers (both domestic and international) in empirical research or in theoretical research that is directly related to empirical research.

Second, the Institute has provided researchers with databases that are fundamental to social science research and with a place for collaborative research. The Research Centre for Information and Statistics in the Social Science has been operating the first data center in Japan that was certified by the National Statistics Center. It provides micro-level data and has supported the use of microlevel government data by researchers nationwide. Moreover, as a joint-use research center designated by the Ministry of Education, Culture, Sports, Science and Technology, the Institute accepts proposals for joint research utilizing the Institute's research resources from all over the country and supports such joint research.

Through the aforementioned large-scale projects and other projects, the Institute has developed and updated numerous databases and has made them available to the world (some of them were created in cooperation with the Cabinet Office; the Research Institute of Economy, Trade, and Industry; and the Japan Center for Economic Research). These databases include LTES, which made it possible for the first time to statistically analyze the Japan's economic development from the Meiji period to the present; the Economic Survey of Farmers which provides micro-level pre-World War II data on farmers; Large Shareholders/ Board Members of the Listed Companies in Japan, which includes data (up to the 1980s) on Japanese companies that are not covered by databases prepared by private-sector companies; the Japanese Study of Aging and Retirement (JSTAR), which is a panel survey of middleaged and old people (age 50 or older); the Japan Industrial Productivity (JIP) Database and the China Industrial Productivity (CIP) Database, which provide basic data on the industrial structure and productivity of Japan and China, respectively; the East Asian Listed Companies (EALC) Database, which enables comparison of all listed companies in Japan, China, South Korea, and Taiwan in terms of total factor productivity; and Asian Historical Statistics (ASHSTAT) Background Data. As for a recently released database, the Regional-Level Japan Industrial Productivity (R-JIP) Database, which makes it possible to measure total factor productivity for different industries in each prefecture, became available in May 2013.

These databases are frequently used by academic researchers, the Japanese government, foreign governments, and international organizations. For example, data are used in the OECD database STAN, an analysis of intangible assets conducted by the U.S. Department of Commerce, Bureau of Economic Analysis (BEA), the Annual Report on the Japanese Economy and Public Finance prepared by the Cabinet Office, and the White Paper on International Trade prepared by the Ministry of Economy, Trade, and Industry. Moreover, the estimates of per capita GDP since the Nara period, which is part of ASHSTAT, is used as data about Japan in the Maddison Project, the international collaborative project aiming to make it possible to compare different countries' economic development by using long-term economic statistics.

Many of the databases were created through international cooperation, which has made it feasible for researchers to conduct comparative analysis on Japan and other countries. For example, in the field of productivity research, the Institute participated in the European Commission's EU KLEMS project (KLEMS refers to capital, labor, energy, intermediate goods, and services, data on which are used to measure productivity), the World KLEMS project led by Harvard University, and research conducted by the OECD's Working Party on Industry Analysis (WPIA). Also, the Institute contributed to the creation of the Asia KLEMS project as a core member. Because of such efforts it is now possible to compare Japan and other countries in terms of the productivity of different industries and the rise and fall of companies.

One of the foundations that have made a wide range of research activities possible is the mechanism for providing meticulous support for research, which has been established over a long period of time. The Research Assistant Department consists of the Office of Publications, the Faculty Support Office, and the Large-Scale Data Archiving and Processing Section. The Administrative Department includes the IER Library and the Library for Japanese Statistics. Together, they strive to build a unique collection

of documents and aim to provide better services as data archives and specialized libraries of statistical information.

Building on these past activities, the Institute will make further improvements in two areas.

First, the Institute will strengthen its capability in policy-oriented empirical research. The Research Center for Economic and Social Risks, established in May 2014 after obtaining special funding “Enhancing functions at internationally outstanding educational and research bases” project” from the Ministry of Education, Culture, Sports, Science and Technology, will design systems that are equipped for the economic and social risks of the future while simultaneously promoting research that responds swiftly to emerging crises. The Institute aims to create a new type of research organization that builds comprehensive data archives within the social sciences and conducts research into policies for overcoming the long-term economic stagnation in Japan and the rest of the world, in partnership with other joint-usage research centers.

Second, the Institute will strengthen its capacity as a joint-usage research center. The data center providing micro-level data is currently located on the Kodaira Campus, and people on the Kunitachi Campus, where the Institute is located, must take a train to get there. For users' convenience, a new data center is planned to be set up within the Institute. In addition, the Institute will improve its ability to disseminate information domestically and abroad through the Internet by centralizing the management and release of various data that have been accumulated and by translating data explanations, application documents, and other materials into English.

The new challenges in economic research that the Institute will tackle are certainly not limited to these two areas. With its five departments and four affiliated research centers working in concert, the Institute will move forward toward the goal of becoming the world-class research center playing a central role in various fields of economics.

### 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>

History of the Institute of Economic Research as a center for constructing statistical databases on Japan and Asia and a hub for international joint research

The Institute of Economic Research, Hitotsubashi University, has played a historical role as a center for joint research on the construction and use of databases for Japanese economic statistics. It has also made contributions to an extent unparalleled by any other facility to the collection and preparation of statistical materials and the construction of databases, such as for the estimation and compilation of the Asian Historical Statistics (ASHSTAT), including Japan's Long-Term Economic Statistics series (LTES). Moreover, since the late 1990s, it has enthusiastically participated in advancing innovative, large-scale joint research projects in which researchers from Japan and overseas are actively involved.

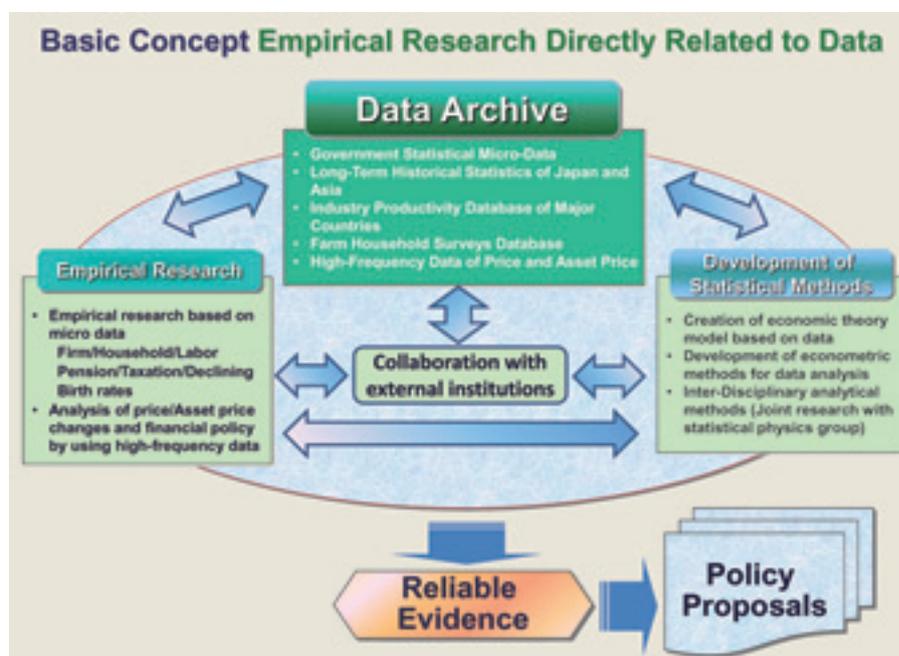
#### The Institute as a Joint Usage/Research Center

With this as the background, in June 2009, the Institute was recognized by the Ministry of Education, Culture, Sports, Science and Technology as a Joint Usage/Research Center. Using this opportunity, and based on its achievements to date, the Institute has maintained a data archive, developed methods of statistical analysis, and aims to further develop as an international joint usage and research center for the advanced empirical analysis of the Japanese and global economies.

With this capacity and as part of its joint-usage activities, the Research Centre for Information and Statistics of Social Science, Institute of Economic Research, Hitotsubashi University is functioning as the contact point for maintaining and expanding the usage of government statistics microdata and for constructing Japan's first government statistics microdata center in close collaboration with the National Statistics Center. This endeavor will provide easy access to government statistics as anonymous data to domestic and international researchers and promote the proper use of anonymous data in Japan. At the same time, on the basis of the feedback provided by the research community regarding data requirements, the Center is exploring new methods of providing anonymous data that improve both access and consistency and contribute to the empirical analysis of microdata in Japan.

Joint research projects include "Poverty Reduction, Institutions, Markets, and Policies in Developing Countries: Toward a Theory of Comparative Economic Development (PRIMCED)" (Grants-in-Aid for Scientific Research (S))(2010-2014) and "Hitotsubashi Project on Real Estate, Financial Crisis, and Economic Dynamics (HIT-REFINED)" (Grants-in-Aid for Scientific Research (S))(2013-2017). With the research findings from these sorts of large-scale projects serving as the foundation, the Center will pursue systems and policy research based on quantitative analysis. Please see the webpage provided below for details on the results of research projects conducted to date:

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

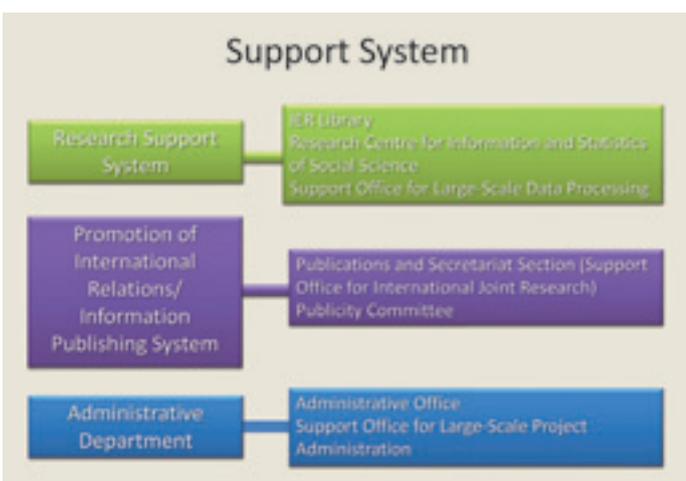


A number of these joint research projects will lead to the subsequent development of even bigger joint research projects and the acquisition of large-scale research funding.

**Aiming for further development of the Center through broad incorporation of feedback from the research community**

The Institute currently maintains close and progressive relationships with various external organizations and research groups. In its operations, the Center strives to understand the opinions and expectations of the external research community with regard to the Institute, in addition to ascertaining the latest academic trends through joint research with these external parties. In terms of formal

committees, the Management Committee and the Joint Center Usage & Joint Research Committee have been established at the Center for Empirical Analysis on Japanese and Global Economy. The Management Committee discusses issues related to the management of the Center as a whole, whereas the Joint Center Usage & Joint Research Committee deliberates on issues related to the recruitment and implementation of joint-use and joint-research projects. To ensure that the Institute pays much attention to the opinions and requests of the domestic and international research communities and reflects this feedback in how it runs the Center, majority of the members of both committees are researchers from outside the Institute. (For information on committee members, please see “Chapter 5. About the Institute” in this outline.)



# 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-Poverty Reduction, Institutions, Markets, and Policies in Developing Countries: Toward a Theory of Comparative Economic Development (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: IERHU)

Microeconomic Analysis Group

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

Development Economics Team: Takeshi Sakurai (University of Tokyo), Yasuyuki Sawada (University of Tokyo), Yoshito Takasaki (University of Tsukuba), Fumiharu Mieno (Kyoto University)

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 (IDE-JETRO)

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 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.

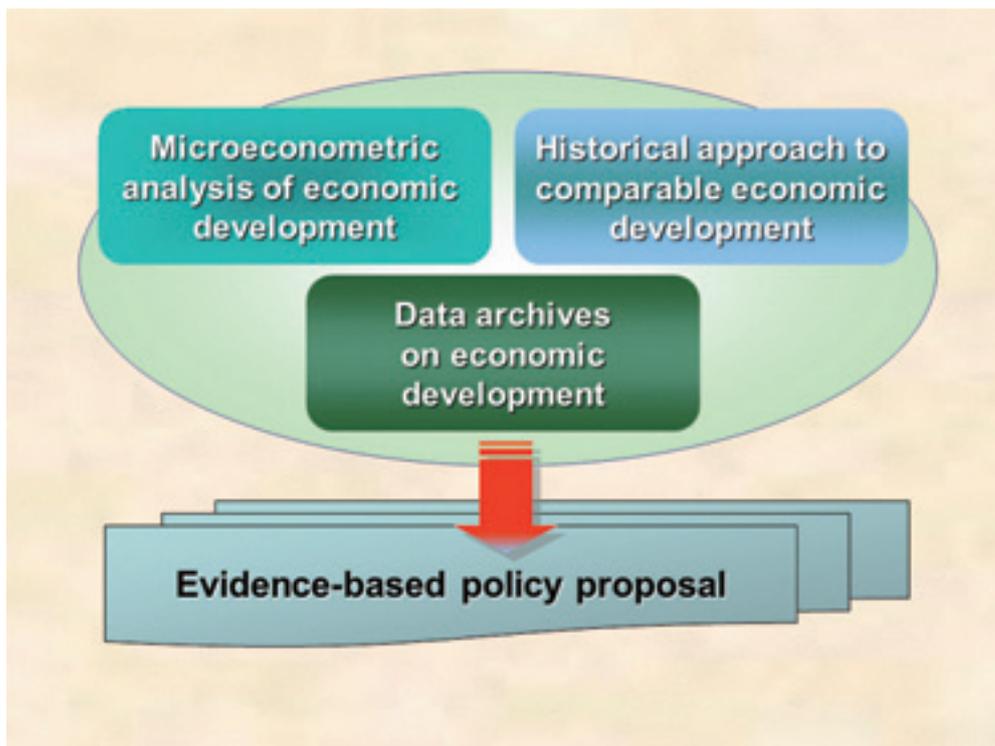
The third pillar is grounded on the results of the first two. We first conduct quantitative empirical analyses with similar specifications for contemporary and historical cases. We then construct theoretical models to explain the observed contrasts and conduct simulation analyses based on the theoretical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



## Hitotsubashi Project on Real Estate, Financial Crisis, and Economic Dynamics (HIT-REFINED) (Grants-in-Aid for Scientific Research (S))

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

The real estate market has an important presence and its characteristics need to be completely examined, inasmuch as it has become the “epicenter” for financial crises in many countries, including Japan. In this project, researchers who are currently active in a wide range of economic fields have gathered to clarify the mechanism by which anomalies in the real estate market cause financial crises and suppress economic growth. For Japan, where declining land prices and low economic growth have continued for more

than 20 years, this mechanism will be clarified through the construction of a large-scale database that did not previously exist. The findings of this research will be offered as a benchmark for analysis not only to Japan but also to many other countries that are searching for ways to extricate themselves from slumping real estate markets and financial crises, as well as to those that are currently experiencing a real estate bubble.

### ◆ Project Leader

Ichiro Uesugi (Associate Professor, IER, Hitotsubashi University)

### ◆ Members

Chihiro Shimizu (Reitaku University)

Tokuo Iwaisako (IER, Hitotsubashi University)

Kentaro Nakajima (Tohoku University)

Kiyohiko Nishimura (University of Tokyo)

Kaoru Hosono (Gakushuin University)

Tomohiro Hirano (University of Tokyo)

Takayuki Mizuno (National Institute of Informatics)

Mitsukuni Nishida (Johns Hopkins Carey Business School)

Tsutomu Watanabe (University of Tokyo)

Hirofumi Uchida (Kobe University)

Arito Ono (Mizuho Research Institute Banking and Finance)

Masahiro Hori (Economic and Social Research Institute, Cabinet Office)

Daisuke Miyakawa (Nihon University)

Takaaki Ohnishi (University of Tokyo)

Hiroyuki Kasahara (University of British Columbia)

### Research summary

In this project, which is scheduled to be implemented over a five-year period starting in fiscal 2013, research activities are being undertaken for each of the five items as follows: (1) construction of a unified database, (2) clarification of the price mechanism in the real estate market, (3) testing of hypotheses pertaining to the relationship between the real estate market and financial crises/economic growth, (4) quantification of the transmission mechanism from the real estate market to the economy as a whole, based on the testing of each hypothesis, and (5) feedback to economic theory and policies.

For (1), a real estate price database that will become the cornerstone of the entire project is being prepared based on the items such as transaction examples and the appraisal values of land. In addition, the real estate price data are being linked to databases on companies and households.

For (2), an analysis of the mechanism by which real estate prices in general are formed and an analysis concerning the early detection of price bubbles are being performed.

For (3), various hypotheses consisting of financial and real-world aspects are being tested. At the current point

in time, the specific hypotheses being considered are a real estate mortgage constraint hypothesis, a systemic risk hypothesis, a labor and capital immobility hypothesis, a wealth effect hypothesis, and an asset meltdown hypothesis.

For (4), on the basis of the results of the price mechanism clarification and the hypothesis testing, each hypothesis is being quantified with regard to the question of what type of effect a shock in the real estate market has on economic activities such as consumption, capital investment, and production. This is being done by using information on transaction networks between companies, between banks, and between companies and banks, as well as locational information on properties, households, companies, and financial institutions. This will shed light on the degree to which economic activities are affected, as economic activities are believed to vary by region, type of industry, and other company attributes. These tasks will make it possible to analyze whether anomalies in the real estate market have a greater effect on economic activity via their financial aspects or via their real-world aspects.

With regard to (5), this project is expected to reveal many policy implications, including those related to the early detection of shocks caused by real estate prices

and to the position of the real estate market in national land development policy, macroeconomic management, macroprudential policy, and monetary policy. These implications will thus be fed back into policy through opinion exchanges between domestic and international public institutions.

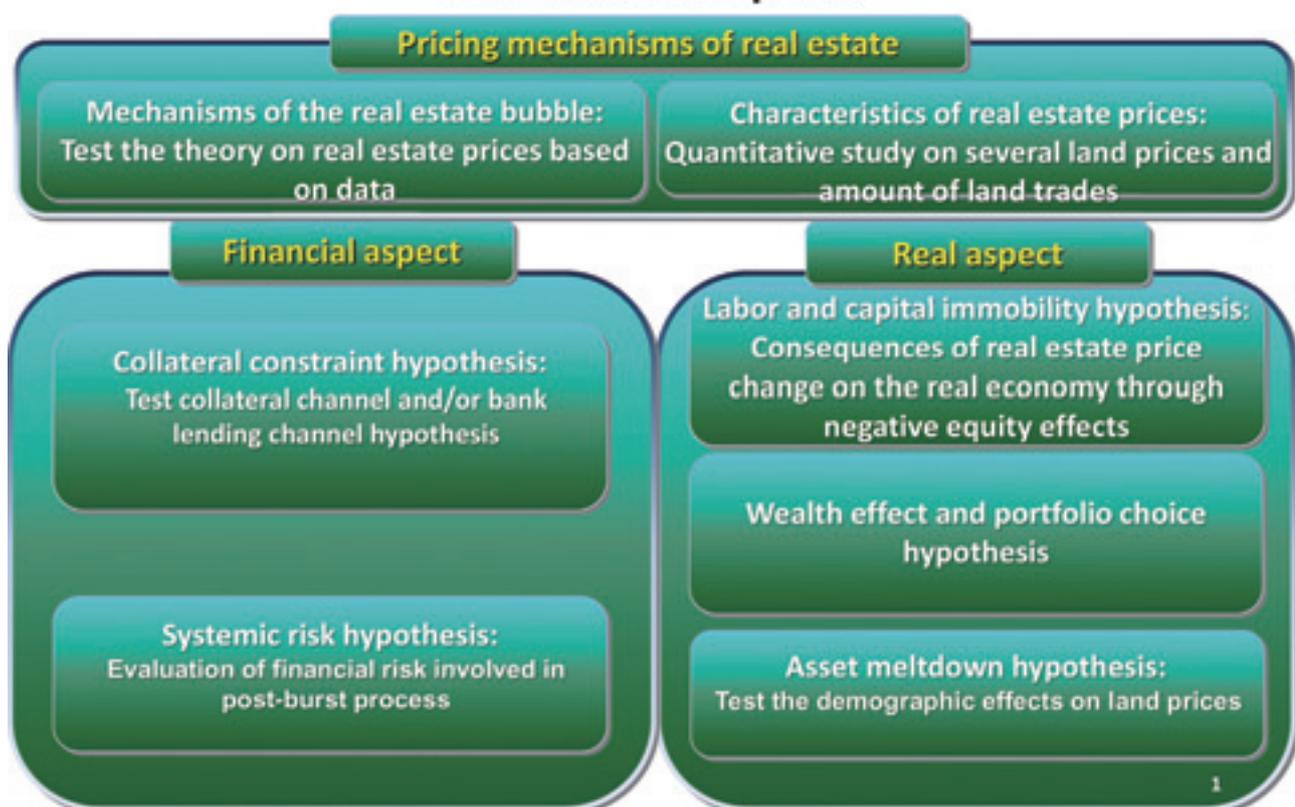
### Findings to date

A year and a half has passed since the project began, and its participants have been extremely active, including publishing 14 working papers and holding 35 seminars to discuss the research findings to date. In particular, for the construction of the unified database, the project has acquired not only a real estate transaction database, which has recently become possible to obtain, but also a large-scale database of company panel data that extends to 100,000 companies, including financial information

and information on the properties they own, as well as a database of information on changes in property registrations from 2000 onward, which had not been used for research purposes until now. Connecting these various types of databases makes it possible to proceed in testing the hypotheses on the real estate price mechanism and the relationship between the real estate market and the real economy.

In particular, two events are scheduled to be held in December. The first is an international workshop in which influential international real estate market researchers will meet to exchange opinions and report on and discuss their research findings to date. The second is a large-scale open research meeting in which practitioners and policy makers will meet to discuss on the relationship between the real estate market and macroeconomy.

## Research topics



## 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)

Satoshi Mizobata (Kyoto University)

Taku Suzuki (Teikyo University)

Kazuhiro Kumo (Hitotsubashi University)

Fumikazu Sugiura (Teikyo University)

Masahiro Tokunaga (Kansai 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.

## 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)

Takehiko Yamato (Tokyo Institute of Technology)

Shin Kishimoto (Chiba University)

Naotoshi Tsukada (GRIPS)

Shigeo Muto (Tokyo Institute of Technology)

Yasuhiro Arai (Kochi University)

Tomoyuki Shimbo (Kanto Gakuin University)

Ryo Kawasaki (Tokyo Institute of Technology)

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.

### Japan's Current Account Dynamics in the Time of Population Aging and Decline (Grant- in-Aid for Scientific Research (A))

#### ◆ Project Leader

Tokuo Iwaisako (Hitotsubashi University)

#### ◆ Members

Takashi Unayama (Ministry of Finance and Hitotsubashi University)

Toshiaki Watanabe (Hitotsubashi University)

Japan's current account surplus is declining due to population aging. This decline is a natural phenomenon and is not a concern from a purely neoclassical perspective. However, the decline in the current account surplus and the increase in the trade deficit are occurring during the global recession, and Japan's fiscal situation is deteriorating and its exports are struggling. Consequently, the medium- and long-term trend of Japan's current account involves uncertainty, and it can impact the future course of

the economy. In this research project on the Japanese economy, we investigate the dynamics of the current and trade accounts with the microeconomic analysis of the investment/saving decisions of households and corporate sectors and the budget deficits of the national government. The effects on the current account from other exogenous factors, such as fluctuations in the exchange rate and the global recession, will also be examined for better understanding of the Japanese economy as a whole.

### 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)

Takashi Kurosaki (Hitotsubashi University)

Atsuyuki Asami (Kyoto University)

Yasuyuki Sawada (University of Tokyo)

Manabu Ozeki (Okayama University)

Motoi Kusadokoro (Tokyo University of Agriculture and Technology)

Masahiro Sato (Hitotsubashi University)

Tetsuji Okazaki (University of Tokyo)

Tetsuji Senda (Kyoto University)

Yutaka Arimoto (IDE-JETRO)

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.

## Population Dynamics in Russia: Micro-Econometric Approach (Grant- in-Aid for Scientific Research (A))

### ◆ Project Leader

Kazuhiro Kumo

### ◆ Members

Norio Horie (University of Toyama)

Noriko Igarashi (Tenri University)

Yuka Takeda (Kyushu University)

Mayu Michigami (Niigata University)

This research is a cutting-edge analysis of population dynamics in Russia for international publication. Using individual responses from the Russia Longitudinal Monitoring Survey (RLMS) data on Russian households and the International Social Science Program (ISSP) and focusing on the population economics, labor economics, and sociological perspectives, this study will analyze the relationships between (1) the birth rate and such micro-level factors as household division of labor and household consumption; (2) the death rate and such micro-characteristics as individual habits and lifestyles; and (3) individual and household characteristics and regional/international migration. The objective is to develop an analysis that integrates the aspects of “gender and birth rate,” “the historical chronology of the death rate,” and “micro characteristics and population migration,” which have all been lacking in previous analyses of Russian population dynamics and also have tended to be investigated

individually. The study also seeks to provide a foundation for micro-econometric analysis of the behavior of individuals and households in Russia.

Throughout the research period, individual data from the RLMS and ISSP are used to perform the research. In addition, a sociological investigation is planned to give substance to the analytical items. The analysis aims to facilitate a comprehensive understanding of population dynamics factors in Russia by integrating aspects such as gender, labor, lifestyles, and regional societies to form the core of the data analysis and interpretation.

This research will be undertaken in cooperation with overseas co-researchers and research facilities, including the Russian Academy of Sciences’ Institute of Geography, Higher School of Economics in Russia, and the Institute for East and Southeast European Studies in Regensburg.

## Analysis of economic welfare based on panel data in Japan (Grant- in-Aid for Scientific Research (A))

### ◆ Project Leader

Takashi Oshio (Hitotsubashi University)

### ◆ Members

Reiko Aoki (Hitotsubashi University)

Seiichi Inagaki (Tokyo Institute of Technology)

Ryo Kambayashi (Hitotsubashi University)

Aya Abe (IPSS)

Emiko Usui (Hitotsubashi University)

Noriyuki Takayama (Hitotsubashi University)

This project analyzes the determinants of an individual’s socio-demographic and -economic behaviors and subjective well-being, providing evidence-based policy proposals in order to enhance economic welfare. To this end, we conduct two types of panel surveys—a nationwide survey targeted for young adults, entitled “Longitudinal Survey on Employment and Fertility” and its internet version with special reference to longitudinal information such as wage profiles and job careers. Based on microlevel

longitudinal data obtained from these surveys, we conduct econometric analysis focusing on issues related to the following: (1) socioeconomic behavior such as employment and income earnings, (2) sociodemographic behavior such as marriage and child care, (3) subjective well-being such as life satisfaction and perceived happiness, and (4) choices of social policies. Finally, we obtain policy implications from these empirical analyses, especially regarding public pension plans, health care, employment, and family policies.

### Institutions and Policies to Complement Science, Technology and Innovation Policy: Recommendations for Implementation and Action (Science of Science, Technology and Innovation Policy)

<http://www.ristex.jp/stipolicy/en/project/project12.html>

#### ◆ Project Leader

Reiko Aoki (Hitotsubashi University)

#### ◆ Members

Yasuhiro Arai (Kochi University)

Atsushi Hashimoto (Mie University)

Takaharu Kameoka (Mie University)

Noriaki Matsushima (Osaka University)

Hiroyuki Okamuro (Hitotsubashi University)

Mime Egami (Tokyo Women's Medical University)

Toshiaki Iizuka (University of Tokyo)

Takahiro Matsui (Mie University)

Seishi Ninomiya (University of Tokyo)

Hisamitsu Saitoh (Hokkaido University)

Makoto Hanazono (Nagoya University)

Hideshi Itoh (Hitotsubashi University)

Toshihiro Matsumura (University of Tokyo)

Yuka Ohno (Hokkaido University)

Ichiro Uesugi (Hitotsubashi University)

#### Objective

We construct and propose new social institutions, including regulations and laws, to complement the adoption of new technologies in regenerative medicine and agriculture. We begin by identifying the stakeholders (producers, manufacturers, scientists, doctors, public policy designers, and administrators) and their interests. Then, by utilizing recent advances in microeconomic theory, we design institutions that are acceptable to all current stakeholders, which is an essential condition for new policies and social institutions that can be implemented.

#### Outline

Technologies and products resulting from innovation, i.e., creative destruction, are often incompatible with existing production relations and market structures. However, it is

often difficult to change social institutions to accommodate new technologies due to the reluctance of those involved in production and other activities associated with the old technologies. This can be an obstacle that prevents society from benefiting from innovation. In this project, we maintain a close working relationship with stakeholders of the existing technologies in order to reflect their interests in the new environment. We apply results of microeconomic theory such as game theory and organizational economics to analyze the current situation and to design new institutions that can accommodate the new technologies. We construct a new system of policy making and implementation in the process. We focus on agriculture and regenerative medicine, each having well defined and strong stakeholders, such as agricultural co-ops, medical doctors' associations, and politicians.

### International Research Collaboration for Formulating Trans-Positional Capability Index (JSPS Program for Advancing Strategic International Networks to Accelerate the Circulation of Talented Researchers)

#### ◆ Project Leader

Reiko Gotoh (Hitotsubashi University)

#### ◆ Members

Kotaro Suzumura (Japan Academy)

Ryo Kambayashi (Hitotsubashi University)

Naoki Yoshihara (Hitotsubashi University)

Hideyuki Kita (Kobe University)

Chiaki Moriguchi (Hitotsubashi University)

Kojiro Shimozuma (Ritsumeikan University)

The capability approach, originally developed by A. Sen and M. Nussbaum, is a method to evaluate social states and public policies by looking directly at individual well-being and opportunity rather than by focus on income or subjective utility. This approach has been widely used to assess policies in various areas such as public health, disabilities and intractable diseases, violence, and poverty. Its formulation, however, largely depends on the context, and its implementation is yet to be clearly established.

The purpose of this program is to advance international research collaboration by sending talented researchers to (and inviting prominent scholars from) well-respected overseas institutions engaged in this expanding field of research, including Oxford, Princeton, Pavia, and Harvard. Our final goal is to gather diverse context-based data and synthesize general theories by facilitating talented researchers.

#### This program aims to implement the following:

(1) Compare different capability indexes and their underlying ideas, developed for different places, situations, and populations ("positions" in short). First, we are going to look at the multidimensional poverty index (developed at Oxford), the Beyond GDP index (Princeton), and the Medical-Transportation-Disability capability index (Japan).

(2) Re-examine the philosophical, conceptual, and methodological backgrounds of different capability indexes in order to develop a theoretical foundation for a broader framework. We expect to cooperate with scholars based in Pavia, Harvard, and elsewhere, who work extensively on social choice theory, welfare economics, and political philosophy.

(3) Draw an overall "trans-positional" map of different capability indexes in order to construct a coherent and encompassing framework within which we can apply the capability approach, thus allowing for policy recommendations across a wide range of areas such as health care and civil engineering.

### 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 19th-century Japan and gradually spread to other regions in Asia in the second half of the 20th 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 20th 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.

## As of April 2014



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

1. Structural Estimation of Household Decision Model Based on Various Micro Data
  2. Investigation of Price Dynamics Based on Large Scale Point of Sales Data
  3. Empirical Analysis of Product Pricing Decision
- <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>



### 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>



GOTO, Jun / Assistant Professor / Center for Economic Institution

- 1, The role of social norms and social preferences for economic development
- 2, The mechanisms of poverty reduction through microfinance
- 3, The evolution of institutions for common pool resource management



GOTOH, Reiko / Professor / Contemporary Economies

1. Operational Formulation of Capability Approach through Factor-Relational and Structural Analysis---New Informational Basis of Welfare Economics---
2. Methodological Re-examination of Normative Economics through Arrow, Rawls and Sen
3. Reconstruction of Welfare State based on the conceptions of Substantive Freedom, Equality of Differences and Public Reciprocity



ITO, Yoshinori / Professor ; Industry-University-Government Collaboration / Center for Intergenerational Studies

1. International comparative analysis of determinants of social policy and welfare regimes
2. Research on policies to improve sustainability of welfare states



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

1. Analysis of cross-section of stock returns
  2. Dynamics of Japan's trade and current account
  3. Saving and portfolio choice of Japan's households/firms
- <https://sites.google.com/site/tokuoiwasako/home>



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

1. Empirical analysis of the impacts of European crisis on post-communist emerging markets
2. Systematic review and meta-analysis of the 25-year history of economic transformation in Eastern Europe and the former Soviet Union
3. Empirical institutional analysis of the Russian corporate system



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

1. The transition of 'Japanese Employment System' during 1990s and 2000s
2. Empirics on the efficiency of matching in Japanese employment agencies



**KINOSHITA, Kazuhiro / Associate Professor / Research Centre for Information and Statistics of Social Science**

1. Studies on anonymisation methods of micro data and creation technique of replica data from official statistics
2. Construction of system to enable the use of micro data sets obtained from statistics surveys in social science empirical analysis
3. Studies on a nonsampling error in social statistical surveys



**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 cryptocurrencies 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>



KODAMA, Naomi / Associate Professor ; Industry-University-Government Collaboration / Center for Intergenerational Studies

1. Impacts of women's participation and leadership on economic growth and business competitiveness
2. Effects of female self-employed or entrepreneurs on economics
3. Impacts of globalization on employment and wage



KOGURE, Katsuo / Assistant Professor / Center for Economic Institutions

1. Institutions and economic development
2. Conflict, security, and development
3. Human capital accumulation in Cambodia
4. The process of social and economic change in Cambodia



KUMO, Kazuhiro / 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



KUROSAKI, Takashi / Professor / Japanese and Asian Economies, Center for Economic Institutions

Microeconomic and microeconomic analysis of economic development

1. Poverty, vulnerability, and human capital in South and Southeast Asia
2. Credit market, communities, and economic development in South Asia
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



**OSHIO, Takashi / Professor / Economic Systems Analysis**

1. Socioeconomic determinants of health and subjective well-being
2. Poverty, income inequality, and redistribution policies
3. The impact of social security programs on labor supply of the elderly



**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



**TAKAMI, Norikazu / Assistant Professor / Comparative Economic Systems**

1. A historical study of how understandings of inflation were formed and propagated in the general media in the post-World War II United States.



TONOGI, Akiyuki / Adjunct Assistant Professor / Research Center for Economic and Social Risks

1. Examining changes in price and sales volume, old and new product models, and product innovation using large-scale point-of-sale (POS) data.
2. Constructing structural models to explain price setting, discount sales, and procurement of distribution companies in order to reproduce the statistical properties of the actual data by simulation.
3. Evaluating science and technology policy in Japan using a dynamic general equilibrium model that incorporates R&D capital stocks and applying estimation methods for R&D investment and capital stock in line with the 2008 SNA statistical standards.

<http://homepage1.nifty.com/tonogi/akiyuki-page/>



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



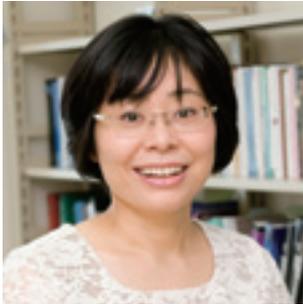
UENO, Yuko / Associate Professor ; Industry-University-Government Collaboration / Center for Intergenerational Studies

1. Trends in job and worker mobility in Japan's labor market since the 1990s
2. Medium-term changes in Japan's labor market (regarding worker mobility, wage levels, and promotion)
3. Formation of household inflation expectations



UESUGI, Ichihiro / Associate Professor / Contemporary Economies

1. Financial intermediation and banking
2. Evaluation of government intervention in the credit market
3. Real estate market and interaction with economic activities
4. Propagation of shocks through interfirm networks



USUI, Emiko / Associate Professor / U.S., European and Russian Economies

1. Fertility, child-rearing, and maternal employment
  2. Employer learning on productivity of workers
  3. Black/white wage gap in the United States
- <http://www.ier.hit-u.ac.jp/~usui/>



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, value-at-risk and expected shortfall
2. Bayesian analysis of macroeconomic models such as DSGE, DSGE-VAR, time varying parameter VAR and Markov switching models using MCMC



WU, Harry Xiaoying / Professor / Contemporary Economies

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 Economies

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/~yoshihara/>

### Research Centre for Information and Statistics of Social Science

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

#### 1. Objective

The Research Centre for Information and Statistics of Social Science (RCIASS) 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 RCIASS

At present, there are five full-time academic staffs that are attached to the RCIASS 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 RCIASS are organized into five corresponding units, and the academic staff of the RCIASS play an integral role in the large-scale research projects currently being undertaken by the Institute. The RCIASS, 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 FY2013, the holdings of the library amounted to 198,161 volumes as well as 1,459 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 RCIASS took on a new role as the institution in charge of making government microdata available to researchers. After the expansion and reorganization, it initially functioned as a service center for the provision of government microdata made available to researchers on a trial basis. Then, in 2009, it shifted from providing data on a trial basis to functioning as a service center for the provision of anonymous data. For further details on this point, please refer to "4. Assessment of the trial to offer statistical microdata collected by the Japanese government," and "5. Cooperation agreement with the National Statistics Center." In addition, using such data, the RCIASS 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 RCIASS 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 RCIASS 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. Cooperation agreement with the National Statistics Center

In conjunction with the enforcement of the new Statistics Law in April 2009, anonymous data (the above-mentioned specimen data made anonymous) came to be formally provided by each government ministry. Therefore, in March 2009, the RCISSS concluded a cooperation agreement with the National Statistics Center (hereafter, the Statistics Center) to act as the service center for the Statistics Bureau of the Ministry of Internal Affairs and Communications. The RCISSS began providing this service as a satellite institution of the Statistics Center in June 2009. Moreover, two full-time instructors have been accepted from the Statistics Center in a personnel exchange. In December 2010, Project Room No. 1 at the Kodaira International Campus of Hitotsubashi University obtained certification as an on-site facility from

the Statistics Center. This on-site facility has a high level of information security in place to protect information leakage. This enables a detailed analyses using survey response information that cannot be analyzed as anonymous data. This facility is open not only to those within the University but to outside researchers and others.

#### 6. 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 building a database from them. To date, putting on microfilms has been completed for all the period, and now building the database is in progress for the period from 1931 to 1941. As of March 2013, surveys for all prefectures have been input to the database, and the correction and the compilation have now begun. For the remaining period, 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.



## ◆ 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>).

## &lt;Role of Institutions in Economic Development in Low-income Developing Countries in Asia and Africa&gt;

Sustaining economic growth and reducing poverty in developing countries are among the most urgent issues of the 21st 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).

## &lt;Financial and Corporate Systems in Japan and Asia&gt;

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 years 2010-13, we held 96 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 2013, we invited scholars from Loughborough University, Aarhus University, Colgate University, University of Leuven, Australian National University, and University of Hawaii at Manoa.

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 2012 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



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

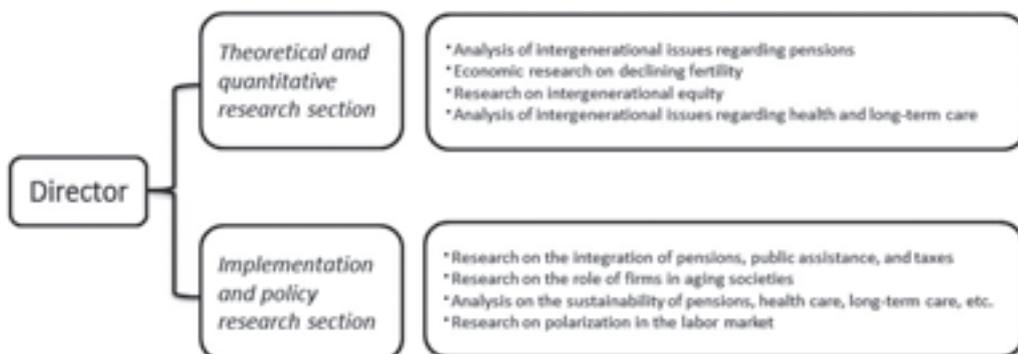
The CIS is planning to build, maintain, and expand a network of domestic and overseas researchers working in the field of intergenerational issues in conjunction with other research institutions. Specific activities to promote research in this field are shown below. In addition, the CIS will hold regular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

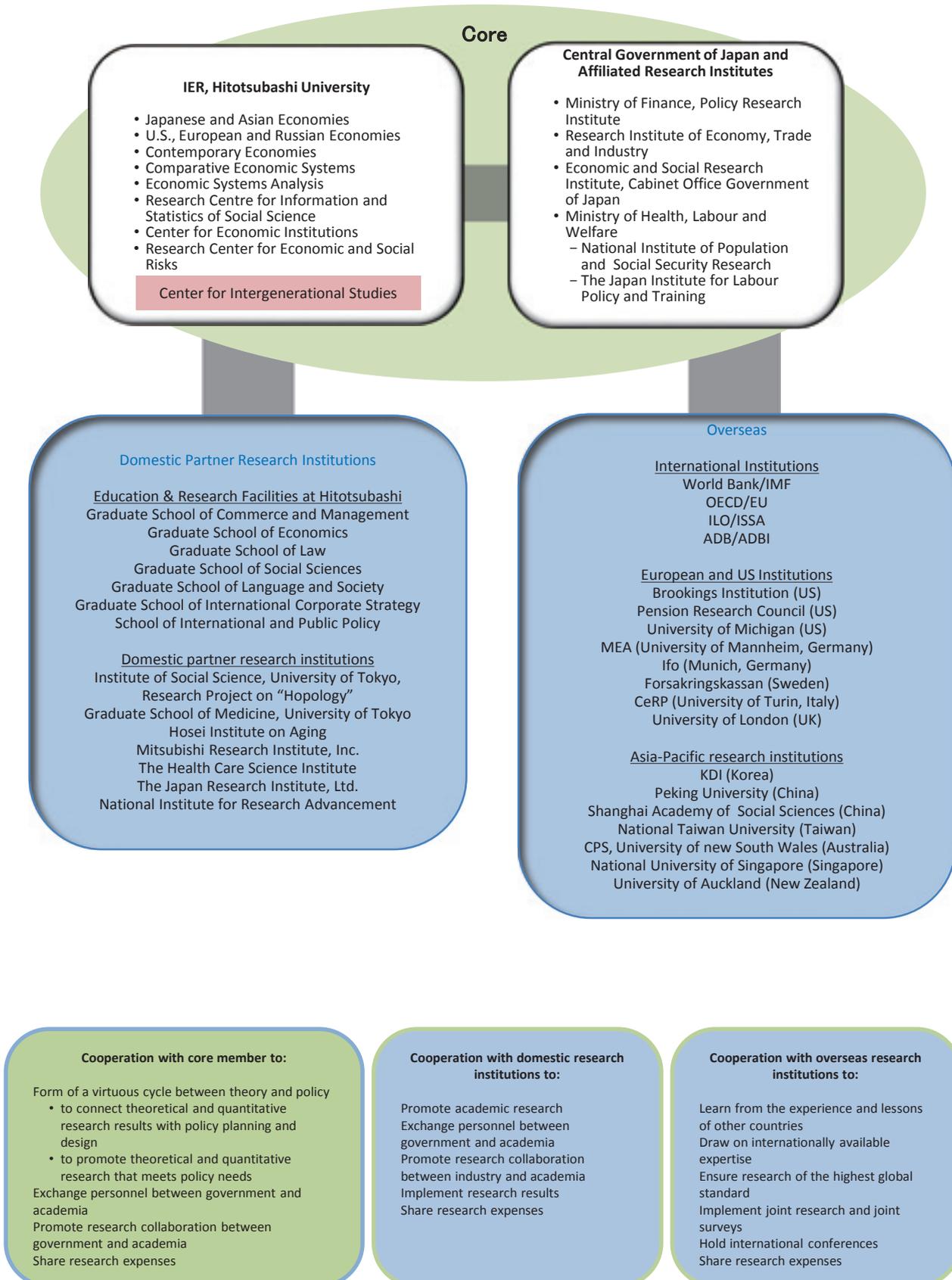
3. Organizational structure

The CIS is divided into two research sections. The current director is Professor Takashi Oshio, whose term of office is two years from May 1, 2014.



### Setup and Operation of the Center for Intergenerational Studies

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



1. Objective

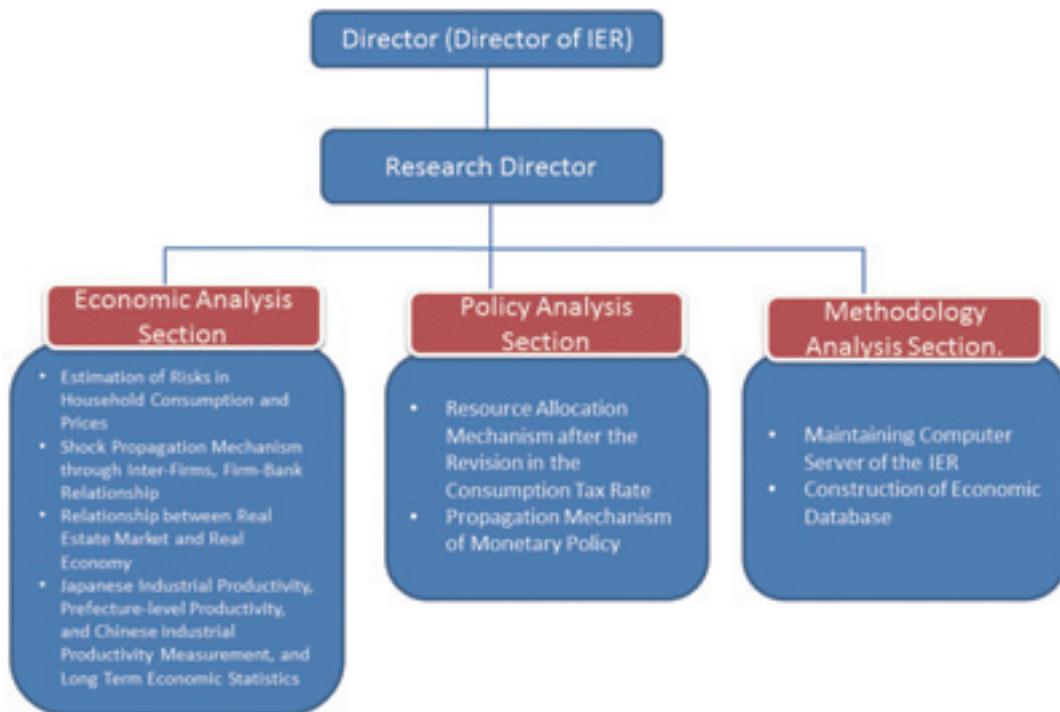
In the past few years, we have encountered several serious macroeconomic shocks such as the Lehman Shock, the Euro Crisis, and the Great East Japan Earthquake. It is highly important to evaluate and prepare for more potential serious risks to the Japanese economy.

In May 2014, the Institute of Economic Research of Hitotsubashi University established a new organization, Research Center for Economic and Social Risks (RCESR), to focus on these risks and examine their impact on the economy with approval of the The Ministry of Education, Culture, Sports, Science and Technology of the Japanese government. As prescribed in the Hitotsubashi University Basic Regulations, this is the fourth formal research center at the Institute of Economic Research (IER).

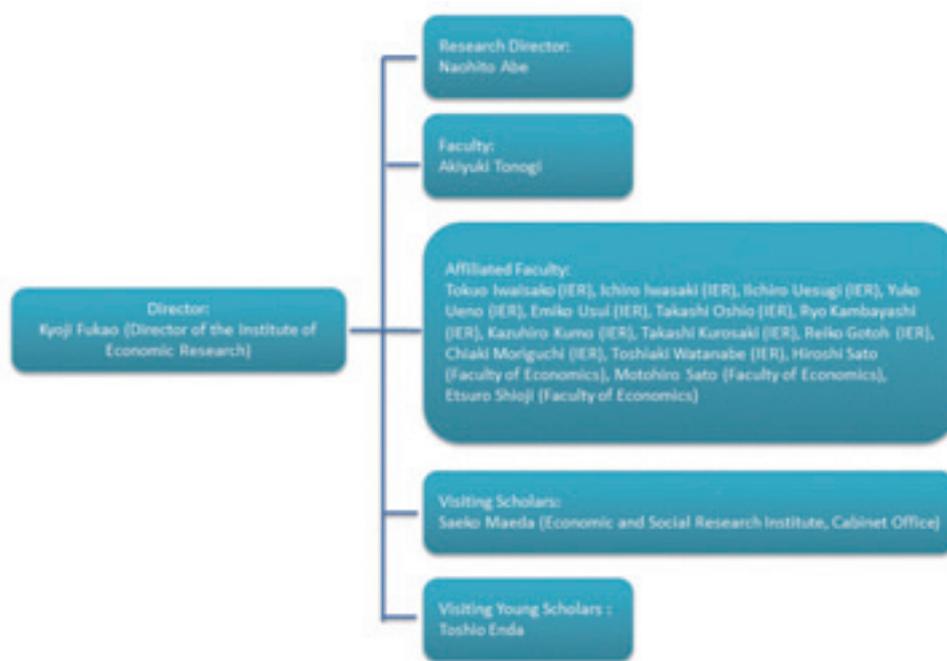
The Center is a direct result of previous large-scale research projects conducted at the Global Center of Excellence and the IER on price dynamics, industry and financial networks, and productivity measurement. In addition, the Center is tackling several new topics such as the uncertainty in labor markets and public finance.

The Center's second mission is to provide practical real-world training, transcending traditional academic study for young researchers. We plan to collaborate with several governmental ministries, research companies, and nonprofit organizations in order to conduct joint research and offer opportunities to young researchers for on-the-job training. Drawing on the results of empirical studies, we will derive useful policy implications regarding potential future risks to the Japanese economy.

2. Research Section



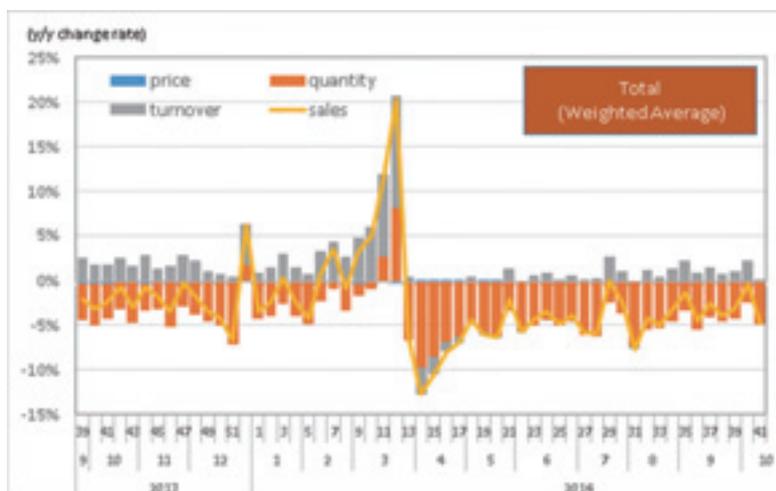
### 3. Organization



### 4. SRI-Hitotsubashi consumer purchase indices

SRI-Hitotsubashi consumer purchase indices are one of the outcomes of the industry-academia collaboration among Hitotsubashi University, INTAGE Inc., and New Supermarket Association of Japan. The main objective of this collaboration is to provide useful information based on various retail data such as point of sales data. In SRI-

Hitotsubashi consumer purchase indices, we break down changes in consumer expenditures into price, quantity, and the effect of product turnover, shown in the “Consumer-purchase Expenditure Index” in order to identify the change in the price of consumer purchases, change in the quantity of consumer purchases, and the effect of product turnover in consumer purchases, shown in the “Consumer-purchase Turnover-effect Index.”



### Russian Research Center

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

#### 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; three research staff members are two professors (one is a Research director of RRC) and a professor emeritus/professor by Special Appointment of the Institute of Economic Research specialized in the U.S., European, and Russian economies; twenty one research collaborators are outside researchers and academics; and one research associate works as RRC researcher. 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. Population Dynamics in Russia: Microeconomic Approach (Grant-in-Aid for Scientific Research A, 2014-2017)  
See Section 2 of this bulletin for more details.
2. 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 of this bulletin for more details.
3. Economic Integration and Regional Development in North East Asia: Evaluating the impact of Russia's WTO Accession (Heiwa Nakajima Foundation, 2014-2015)  
This research project examines the effects of international economic relations on the countries of North East Asia. Because of the increased connection between trade and direct investment, the interdependence of these countries' economies continues to strengthen. In



particular, regional economic relations are expected to further strengthen in the wake of Russia's accession to the WTO in 2012. The two questions given below are crucial in predicting the future regional economy: (1) What type of position will each country occupy in the North East Asian regional economic system? (2) How will trade and direct investment affect the countries of North East Asia? The purpose of the study is to address these questions by performing an analysis of regional-level panel data and company-level microdata and to enable the formulation of comprehensive, evidence-based policy recommendations.

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

This project investigated 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 examined 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 examined the relationship between female behavior and household-level economic, social, and demographic factors. This interdisciplinary study was intended to establish the foundation for microeconomic analysis of household behavior in transition economies, including Russia.

#### 5. 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.

#### 6. 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 (1) 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.

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

#### 8. 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. 1-48 and two special issues as of October 2014).



### The Research Center for Normative Economics

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

The Research Center for Normative Economics was established in June, 2014. Its aim, members, agendas, and research projects are as follows.

#### AIM

Economics has long been established as a positive science. However, it should not be restricted from tackling normative issues as long as it addresses a wide range of social problems. The Research Center for Normative Economics promotes dialogue among different academic disciplines with respect to tackling normative issues in economics and it also fosters historical, methodological, empirical, and philosophical explorations in normative economic theory.

#### Members

The Director of the Institute of Economic Research serves as the director of the Center. Members include, among others, Professors Reiko Gotoh, Naoki Yoshihara, Ryo Kambayashi, Chiaki Moriguchi, Yukinobu Kitamura, Koichi Tadenuma (Faculty of Economics) as well as many external committee members including Kotaro Suzumura (emeritus professor and Japan Academy).

#### Agendas

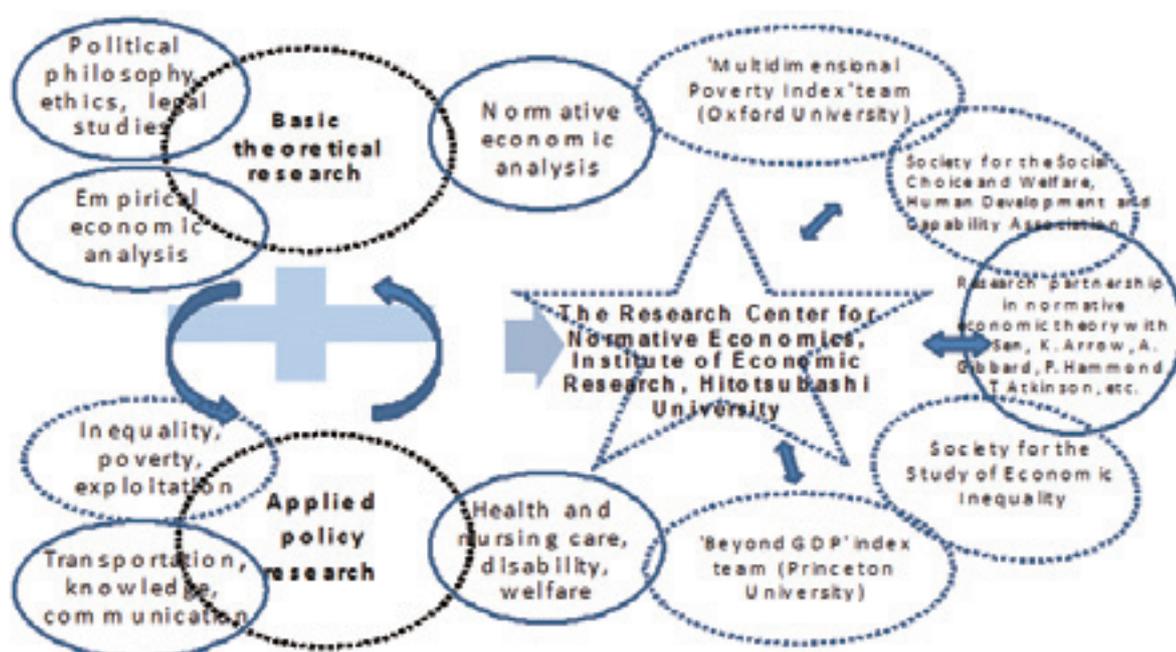
1. In the area of basic theoretical research, the Center facilitates: (a) collaboration between normative economic analyses and positive economic analyses and (b) cooperation among economics, political philosophy, ethics, and legal studies.
2. In applied empirical research, the Center promotes cooperation among researchers working on different subjects in public policy (laws, rules, and institutions). The subjects include, for example, medical care, welfare benefits, disability policy, nursing care, traffic and transportation, information, knowledge, and communication. The Center also promotes the integration of research on these subjects with more traditional themes such as inequality, poverty and/or exploitation.
3. With respect for the cooperative efforts mentioned above, the Center aims for a synthesis between basic theoretical research and applied empirical research.
4. The Center seeks to develop closer ties with domestic research organizations in different fields with similar research interests. These research fields include, for example, political philosophy, legal studies, civil engineering, health economics and ethics, social security, and social welfare.

5. The Center seeks to develop closer ties with overseas research organizations with similar research interests. It can encourage, for example, collaboration between research groups developing multidimensional poverty indices (at Oxford University), the 'Beyond GDP' indices (at Princeton University), and the Japanese research network for the capability approach.
6. The Centre proposes to outline a contemporary history of theories and ideas in welfare economics, dating back to the early days of the New Welfare Economics. We expect collaboration with Kenneth Arrow, Amartya Sen, Allan Gibbard, Peter Hammond, and other distinguished scholars.
7. With extensive archive materials available at the Institute, the Center proposes to review the birth of welfare economics before the Second World War and its subsequent development and characterize its history in light of the evolution of the existing welfare state system.
8. The Center plans to conduct fundamental and comprehensive research on new theories and methods in normative economics, including, for example, the capability approach and studies in rules for fair distribution and expanded notions of rationality.

### Research Projects

1. International Collaboration for Formulating Trans-positional Capability Index (2014–2017, JSPS Program for Advancing Strategic International Networks to Accelerate the Circulation of Talented Researchers)
2. Developing multidimensional indices of opportunity sets for individuals using the Capability approach (2014–2017, JSPS Grant-in-Aid for Scientific Research A)
3. Normative Analysis of 'Welfarism': Re-examination and Exploration of the Possibility of Nonwelfaristic Formulation (2014. Joint Research Project organized by Hiroyuki Yoshida)
4. Comparative Analysis of Distributive Justice: Welfare Economics and Public Philosophy (2013. Joint Research Project organized by Norihito Sakamoto)

### Research groups and organizations



### 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.

International Conference "Econometrics for Macroeconomics and Finance"	
<b>Date</b>	March 15-16, 2014
<b>Venue</b>	Faculty Building 3, Hitotsubashi University
<b>Participants</b>	Sungbae An (Singapore Management University), Torben Andersen (Northwestern University), Luc Bauwens (Universite Catholique de Louvain), Yoosoon Chang (Indiana University), Kyu Ho Kang (Korea University), Fabio Milani (University of California, Irvine), Tatsuyoshi Okimoto (Australian National University), Joon Park (Indiana University), Yasuharu Iwata (Hitotsubashi University, Nagasaki University and ESRI, Cabinet Office), Hiroshi Morita (Hitotsubashi University), Yumi Saita (Hitotsubashi University), Kyosuke Shiotani (Hitotsubashi University), Yoshihiko Sugihara (Hitotsubashi University), Makoto Takahashi (Osaka University), Yoichi Ueno (Hitotsubashi University), Kazufumi Yamana (Hitotsubashi University)
<b>Organizer</b>	Etsuro Shioji (Hitotsubashi University), Toshiaki Watanabe (Hitotsubashi University)

International "Workshop Welfare Economics and the Welfare State in Historical Perspective" & 10th International Keynes Conference: "Present and Past Globalization: Keynes's Relevance Today"	
<b>Date</b>	March 15-17, 2014
<b>Venue</b>	Sano Shoin Hall, Hitotsubashi University
<b>Participants</b>	Atsushi Komine (Ryukoku University), Steven Medema (Univ. of Colorado Denver), Nanako Fujita (Nagoya City University), Roger Backhouse (Univ. of Birmingham), Avner Offer (Univ. of Oxford), Allan Gibbard (Univ. of Michigan, Ann Arbor), Shogo Nishibayashi (Rikkyo University), Alain Marciano (Univ. of Montpellier), Peter Cain (Sheffield Hallam Univ.), Dieter Plehwe (Social Science Research Centre, Berlin), Cristina Marcuzzo (Univ. di Roma "La Sapienza"), Jiro Obata (Rissho University), Beth Genne (Univ. of Michigan, Ann Arbor), Anna Carabelli (Univ. del Piemonte Orientale), Toshiaki Hirai (Sophia University), Giuseppe Fontana (Univ. of Leeds), Julio Lopez (UNAM), Asahi Noguchi (Senshu University), Yuichi Kimura (Saitama University), Atsushi Naito (Ohtsuki City College), Hiroyuki Shimodaira (Yamagata University)
<b>Organizer</b>	Tamotsu Nishizawa (Hitotsubashi University)

### RIETI-IER, Extended CIP Program Meeting “Measuring Output and Labor and Capital Inputs in the Chinese Economy: Assessment of CIP Data”

<b>Date</b>	March 20, 2014
<b>Venue</b>	Institute of Economic Research, Hitotsubashi University
<b>Participants</b>	Tomohiko Inui (Nihon University), Harry Wu (Hitotsubashi University), Keiko Ito (Senshu University), Jiemin Guo (Bureau of Economic Analysis (BEA), US), Bo Meng (Institute of Developing Economies, Japan External Trade Organization), Kyoji Fukao (Hitotsubashi University), Ximing Yue (Renmin University), Mun Ho (Harvard University)
<b>Organizer</b>	Harry Wu (Hitotsubashi University)

### 10th International Workshop on “Evolution of Standards and Technology and Related Topics” Joint with Law and Economics Workshop

<b>Date</b>	February 14, 2014
<b>Venue</b>	Institute of Economic Research, Hitotsubashi University
<b>Participants</b>	Reiko Aoki (Hitotsubashi University), Jing-Yuan Chiou (National Taipei University), Sadao Nagaoka (Hitotsubashi University), Yusuke Zenny (Kobe University), Hodaka Morita (UNSW Australia Business School)
<b>Organizer</b>	Reiko Aoki (Hitotsubashi University)

### “Gender gap in the labor market: An international perspective” Japanese Women Economists Network (J-WEN)

<b>Date</b>	June 10, 2013
<b>Venue</b>	Institute of Economic Research, Hitotsubashi University
<b>Participants</b>	Donna Ginther (University of Kansas), Yukiko Abe (Executive committee of J-WEN, Hokkaido University), Emiko Usui (Nagoya University), Atsuko Ueda (Waseda University), Reiko Aoki (Hitotsubashi University)
<b>Organizer</b>	Atsuko Ueda (Waseda University), Reiko Aoki (Hitotsubashi University)

### Foreign Visitors

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

Visiting and Adjunct Faculties in FY2013-2014 (as of the end of November 2014)

Name	Affiliation
Taro Akiyama	Yokohama National University
Irina A. Korgun	Hankuk University of Foreign Studies
Masaaki Kuboniwa	Hitotsubashi University (Professor Emeritus)
Katsumasa Nishide	Yokohama National University
Konosuke Odaka	Hitotsubashi University (Professor Emeritus)
Tatsuyoshi Saijo	Kochi University of Technology
Osamu Saito	Hitotsubashi University (Professor Emeritus)
Ayano Sato	Takasaki City University of Economics
Keiichi Shima	Hirosaki University

Foreign Visiting Faculties in FY2013-2014 (as of the end of November 2014)

Name	Affiliation
Rene Antonius Belderbos	Katholieke Universiteit Leuven
Tatyana Chesnokova	The University of Adelaide
Tor Eriksson	Aarhus University
Fertö Imre	Corvinus University of Budapest
Tina Kao	Australian National University
Takao Kato	Colgate University
Dimitryi Kvasov	The University of Adelaide
Tuan-Hwee Sng	National University of Singapore
Christopher Spencer	Loughborough University
Nori Tarui	University of Hawaii at Manoa
Pierre van der Eng	Australian National University
Dong Woo Yoo	West Virginia University

Foreign Visiting Scholars in FY2013-2014 (as of the end of November 2014)

Name	Affiliation
Manuel Bagues	Aalto University
Jean-Pascal Bassino	Ecole Normale Supérieure de Lyon
Rudi Bekkers	Eindhoven University of Technology
Stephen N. Broadberry	London School of Economics
Luis M. B. Cabral	New York University
Emanuela Ceva	University of Pavia
Ming-Chung Chang	Kainan University
Ngee Choon Chia	National University of Singapore
Jing-Yuan Chiou	National Taipei University
Christopher Mark Davis	Oxford University
James Fenske	Oxford University
Tue Gorgens	Australian National University
Kim Hisam	KDI
Wen-jen Hsieh	National Cheng Kung University
Jin-Li Hu	National Chiao Tung University
Byung-Yeon Kim	Seoul National University
Pei-Hsin Lin	National Taiwan Normal University
Michele Lombard	University of Glasgow
Patrick Rey	University Toulouse I Capitole
Matthew Joseph Ryan	University of Auckland Business School
David Salant	Toulouse School of Economics
Mark Schankerman	London School of Economics
Ekaterina Selezneva	Institute for East and Southeast European Studies
Leigh Matthew William Shaw-Taylor	Trinity College, University of Cambridge
Hitoshi Shigeoka	Simon Fraser University
Christopher Spencer	Loughborough University
Atsuko Tanaka	University of Calgary
Nori Tarui	University of Hawaii at Manoa
Albert Ka Cheng Tsui	National University of Singapore
Rhema Vaithianathan	University of Auckland Business School
Vamsi Vakulabharanam	University of Hyderabad
Pierre van der Eng	Australian National University
Liang Wang	University of Hawaii
Shintaro Yamaguchi	McMaster University
Nobuaki Yamashita	RMIT University
Dong Woo Yoo	West Virginia University

## The Economic Review

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



*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:

- \* Kazumi Asako, Zhang Yan and Zhentao Liu "The Comovement in Stock Price Indexes of Japan, United States, and China: Estimation of a Nonlinear Cointegration Model," (in Japanese) Vol.65, No.1, Jan. 2014.
- \* Takashi Kurosaki and Hidayat Ullah Khan "Community-Based Development and Aggregate Shocks in Developing Countries: The Experience of an NGO in Pakistan," (in Japanese) Vol.65, No.2, Apr. 2014.
- \* Harry X. Wu "The Growth of "Non-material Services" in China: Maddison's "Zero-Labor-Productivity-Growth" Hypothesis Revisited," Vol.65, No.3, July 2014.
- \* Tsuyoshi Tsuru, Norio Tokumaru, Kentaro Nakajima and Mitsuhiro Fukuzawa "Problem-solving Activities in Product Development: Evidence from Engineer-level Surveys in Japan, Korea, and China," (in Japanese) Vol.65, No.4, Oct. 2014.
- \* Tamotsu Nishizawa "Welfare Economics and the Welfare State in the Formative Age: Economic Progress and Welfare in Marshall's Economic Thought," (in Japanese) Vol.64, No.1, Jan. 2013.
- \* Ryo Kambayashi "Survey on Empirical Analysis of Labor Turnover in the U.S.: From the View Point of Data Construction," (in Japanese) Vol.64, No.2, Apr. 2013.
- \* Joji Tokui, Tatsuji Makino, Kyoji Fukao, Tsutomu Miyagawa, Nobuyuki Arai, Sonoe Arai, Tomohiko Inui, Kazuyasu Kawasaki, Naomi Kodama and Naohiro Noguchi "Compilation of the Regional-Level Japan Industrial Productivity Database (R-JIP) and Analyses of Productivity Differences across Prefectures," (in Japanese) Vol.64, No.3, July 2013.
- \* Ichiro Iwasaki and Masahiro Tokunaga "Foreign Direct Investment and Economic Transformation: A Meta-Study," (in Japanese) Vol.64, No.4, Oct. 2013.
- \* Kyoji Fukao and Hyeog Ug Kwon "Who Creates Jobs in Japan: An Empirical Analysis Based on the Establishment and Enterprise Census," (in Japanese) Vol.63, No.1, Jan. 2012.
- \* Kazuhiro Kumon "Mortality Trends in Russia Revisited: A Survey," (in Japanese) Vol.63, No.2, Apr. 2012.
- \* Chiaki Moriguchi "The Evolution of Child Adoption in the United States, 1950-2010: An Economic Analysis of Historical Trends," Vol.63, No.3, July 2012.
- \* Tokuo Iwaisako "Re-examination of Stock Return Predictability in Tokyo Market," (in Japanese) Vol.63, No.4, Oct. 2012.
- \* Ippei Fujiwara and Toshiaki Watanabe "Dynamic General Equilibrium Model: A Survey with the Application to the Japanese Macroeconomic Data," (in Japanese) Vol.62, No.1, Jan. 2011.
- \* Takeshi Sakurai, Akiko Nasuda, Akizane Kizuki, Ken Miura, Taro Yamauchi and Hiromitsu Kanno "Vulnerability and Resilience of Households: The Case of Zambia," (in Japanese) Vol.62, No.2, Apr. 2011.
- \* Reiko Aoki "Economics of Science, Technology and Innovation Policy," (in Japanese) Vol.62, No.3, July 2011.

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

<http://www.ier.hit-u.ac.jp/Japanese/publication/ersj.html>

<http://www.ier.hit-u.ac.jp/English/publication/erse.html>

The Economic Research Series presents the research results of members of the Institute, with typically one

volume published a year.

### Economic Research Series (in Japanese)



First published in 1953. As of the end of 2014, 62 regular volumes and 8 special volumes have been published.

Publisher: Iwanami Shoten.

Awards: Japan 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 2014, 43 volumes have been published.

Publisher: Kinokuniya (Volume 1-31), Maruzen (Volume 32-)

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

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

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

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.

*Tokei Shiryo Shirizu* (Statistical Data and Documentation Series) (in Japanese)

“Catalog of Statistical Materials on Imperial Japan and Overseas Territories,” etc.; since 1973; 72 volumes published.



## Discussion Paper Series

<http://www.ier.hit-u.ac.jp/English/publication/dp.html>

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 2014. The Discussion Paper Series are fully searchable

in the Hitotsubashi University Repository (HERMES-IR) managed by the university library.

<http://www.ier.hit-u.ac.jp/English/publication/search.html>

- \* IER (Institute of Economic Research) Discussion Paper Series  
<http://www.ier.hit-u.ac.jp/English/publication/ier.html>
- \* CEI (Center for Economic Institutions) Working Paper Series  
<http://cei.ier.hit-u.ac.jp/English/publication/wp/index.html>
- \* CIS (Center for Intergenerational Studies) Discussion Paper Series  
<http://cis.ier.hit-u.ac.jp/English/publication/dp/index.html>
- \* RCESR (Research Center for Economic and Social Risks) Discussion Paper Series

- <http://risk.ier.hit-u.ac.jp/English/publication/index.html>
- \* RRC (Russian Research Center) Working Paper Series  
<http://www.ier.hit-u.ac.jp/rrc/English/workingpapers/index.html>
- \* PRIMCED (Poverty Reduction, Institutions, Markets, and Policies in Developing Countries: Toward a Theory of Comparative Economic Development) Discussion Paper Series  
<http://www.ier.hit-u.ac.jp/primced/e-index.html>
- \* HIT-REFINED (Hitotsubashi Project on Real Estate, Financial Crisis, and Economic Dynamics) Working Paper Series  
[http://www.ier.hit-u.ac.jp/hit-refined/?page\\_id=262](http://www.ier.hit-u.ac.jp/hit-refined/?page_id=262)

## Library

The IER Library started out as a reading room attached to the university library when the Institute of Research in East Asian Economy was reorganized into the Institute of Economic Research in March 1949. Since then, in order to support the Institute's theoretical and empirical research activities, the Library has been engaged in the systematic and comprehensive collection and provision of economic and statistical materials which are indispensable to conduct comprehensive research on the Japanese economy and on the world economy. 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 also has been making efforts to acquire those materials through publication exchange or donation with research institutions and government agencies at home and abroad.

As of the end of fiscal 2013, the IER Library has held 154,133 East Asian language and 255,499 Western language volumes for a total of 409,632 volumes. In addition, it has held 3,445 East Asian language and 2,567 Western language journal titles for a total of 6,012 overall. The Library's holdings are searchable in the university library's online catalog. Moreover the Library holds a large number of micro-form materials, and the title list is posted on Library's web site.

The IER Library's holdings are available for browsing in the reading room by also external users, as long as it does not hinder research activities at the Institute. And materials are also provided for the interlibrary photocopy service. From May 2014 the Library has started the mutual use services with the Library of Institute of Developing Economies.



In fiscal 2013, the IER Library was open 235 days and had 2,274 users including 318 non-University members. The number of loans was 4,416. The number of interlibrary photocopy requests filled by the Library was 191.

Recent years, it assists for the Institute's members

to deposit their research papers in HERMES-IR (institute repository of Hitotsubashi University), and collaborates on the operation of "Hi-Stat Social Science Database Network". From June 2013, the Institute joined EconBiz Open Partner Network to promote open access to scholarly and educationally literatures.

### 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 MarxistBanner") (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)

And more:  
<http://www.ier.hit-u.ac.jp/library/Japanese/collections/colidx-j.html>



### 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/exhibition/>



## 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 21st 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 21st 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

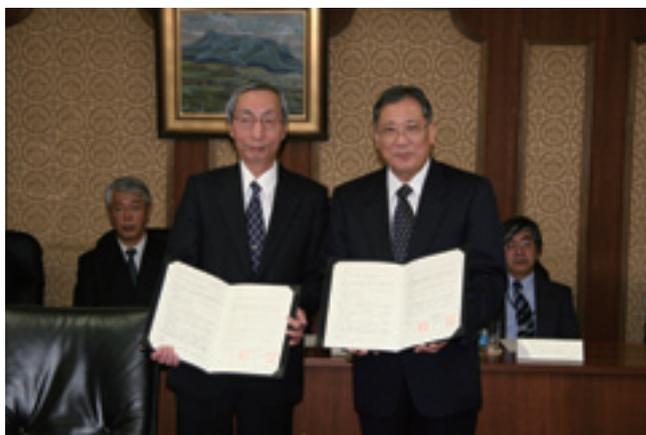
by university researchers nationwide.

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 Population Census, 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.



## Databases

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

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, Miyoei 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 2012

Hitotsubashi University's Research Unit for Statistical and Empirical Analysis in Social Sciences (Global COE Program G-COE HiStat) has produced and updated the Japan Industrial Productivity Database (JIP) in cooperation with the

Study on Industry-Level and Firm-Level Productivity in Japan conducted by the Research Institute of Economy, Trade and Industry (RIETI). Classifying the Japanese economy into 108 sectors, the newest edition, JIP 2012 (covering years 1970-2009), contains annual data tables on investments in capital services, investment in the quality of labor, and nominal and real industrial indicators, which are all essential for estimating total factor productivity (TFP). It also contains calculations of TFP growth made using growth accounting.

<http://www.rieti.go.jp/jp/database/JIP2011/index.html>

JIP 2012 and other data that have been adjusted to enable comparisons with other countries can be found on the EU-KLEMS website at <http://www.euklems.net/>.

##### R-JIP Database 2012

In collaboration with RIETI's Study on Industry-Level and Firm-Level Productivity in Japan, G-COE Hi-Stat built the Regional-Level Japan Industrial Productivity Database (R-JIP) as a basic reference for analysis of Japan's industrial structure and regional differences in productivity. Containing data on 23 industries in 47 prefectures from 1970 to 2008 (Okinawa is included from 1972 onwards), R-JIP 2012 covers annual (calendar year) data essential for estimating total factor productivity, including nominal and real value added, investment in capital and labor in consideration of quality differences, and social capital stock, as well as regional differences in TFP levels by industry and calculations of TFP growth by region and industry. (Some items have data for the benchmark year only.)

<http://www.rieti.go.jp/jp/database/R-JIP2012/index.html>

##### 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 (J CER), 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>

## 4 Publications and Other Contributions to Society

### Database on Large Shareholders and Corporate Officers 2012

The Center for Economic Institutions (CEI) of Hitotsubashi University's Institute of Economic Research has collaborated with the University's 21st Century COE Program, Normative Evaluation and Social Choice of Contemporary Economic Systems (COE/RES), to build a large-scale, long-term database of large shareholders and corporate officers (directors, auditors, etc.) of Japanese public companies. The database, which includes time periods not covered by private-sector databases, contains information on large shareholders and corporate officers (the latter from 1962) from almost all public companies as gathered from their financial reports and other materials. The current edition, for 2012, includes pre-1980 data on large shareholders for 2,108 public companies and pre-1990 data on corporate officers for 1,787 public non-banking companies and 140 banks.

<http://cei.ier.hit-u.ac.jp/Japanese/database/index.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://rcisss.ier.hit-u.ac.jp/Japanese/database/special.html>

### Database Guide / Data Access Service

#### 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>

#### Farm Economy Survey Database

The Research Center for Information and Statistics of Social Science of Hitotsubashi University's Institute of Economic Research has collated into a single database the pre-World War II farm economy survey documents of the Ministry of Agriculture and Forestry now held by Kyoto University. These farm economy survey documents are statistical materials covering the operating and economic activities of farmers as collected by the Imperial Agricultural Association, the Ministry of Agriculture and Commerce, and the Ministry of Agriculture and Forestry starting in 1913. Survey subjects consisted of independent farmers, owner-tenant farmers, and tenant farmers from each prefecture, and survey items included a broad range of data, such as farm assets, production, labor, and consumption. The survey results were published in a national edition every fiscal year. Although it is possible to investigate the general economic conditions for farmers in each fiscal year, this project concentrates on compiling panel data from survey forms dating from 1931 to 1941, which is the time period corresponding to the farm economy's recovery from the devastation of the 1927 Showa panic until the beginning of World War II.

## 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. The lecture series was started from 2006 and then it is held every year.

9th

Date: October 10, 2014

Place: Hitotsubashi Hall (Chiyoda-ku, Tokyo)

Lectures: Reiko Gotoh (Hitotsubashi University), Kaori Kawai (Tokyo University of Foreign Studies), Akinori Kimura (Tokyo Medical and Dental University), Yoshihisa Matsumoto (Tokyo Institute of Technology)

8th

Date: October 11, 2013

Place: Hitotsubashi Hall (Chiyoda-ku, Tokyo)

Lectures: Nobuhiko Yui (Tokyo Medical and Dental University), Masato Iizuka (Tokyo University of Foreign Studies), Yasuharu Koike (Tokyo Institute of Technology), Tokuo Iwaisako (Hitotsubashi University)

### Hitotsubashi University Policy Forum

Date: September 25, 2014

Place: Josui Kaikan (Chiyoda-ku, Tokyo)

Lectures: Hideyuki Yamagishi (Cabinet Office), Kyoji Fukao (Hitotsubashi University), Sadao Nagaoka (Hitotsubashi University), Mark Schankerman (LSE), Kazuo Kyuma (Cabinet Office), Makoto Gogami (University of Tokyo), Ryoichi Nagata (Shin Nippon Biomedical Laboratories, LTD), Yoshihide Hayashizaki (Riken)

Organizer: Reiko Aoki (Hitotsubashi University)



### IER History

The Institute of Economic Research (henceforth, IER) at Hitotsubashi University was originally called the Institute of East Asian Economic Research, which was founded in the library of Tokyo College of Commerce on April 01, 1940. It was not a government organization at that time, but an institute affiliated with the university and supported by a research grant from Kenkichi Kagami, the president of Tokyo Marine and Fire Insurance. The institute's first head was Teiji Ueda, president of the Tokyo Shoka University.

Dr. Tsuru, the IER's head, explained the plan for reorganization of the institute in *Conceptions of the Institute of Economic Research* (1949) as follows: "The most important research topic is 'National Income and Reproduction' because it contains theoretical, statistical, empirical, and policy-oriented aspects. It is also advantageous to research this topic collaboratively, so that many researchers would try to involve themselves in this subject. Other research topics will include statistics, econometrics, and the American and Soviet economies. We will also value and pursue research on classical economic theories." Later, the Japanese economy was added as a research subject, and statistical and empirical research on Japanese economy, national income, and processes of economic growth, as well as research on the socialist economies of the USSR and China, became prominent in the academic world. In 1957, the Study Group on National Income Estimates was launched with Kazushi Ohkawa as its leader, with support from the Rockefeller Foundation. All the results of this study group's work were collected in the fourteen volumes of *Long-Term Economic Statistics* (edited by Kazushi Ohkawa, Miyoei Shinohara, and Mataji Umemura, 1965-1988).

In addition to the five research departments (American Economy, USSR Economy, National Income and Reproduction, Statistics, and Classical Economics) that were present at the inception of the reorganized IER, a Japanese Economy department was added in the following year. Later, this department was divided into two parts and three more departments—British and British Commonwealth Economies, Chinese Economy, and Southeast Asian Economy—were added to make a total of nine departments. In 1961, the institute added the department of International Economy, and the departments of Economic Measurement, Economic System, Financial Economics, and Modern Economic Analysis were subsequently added by 1977 to raise the number of departments to fourteen. However, with the revision of ministerial ordinances, the institute was reduced to five large research sections during 1978 and 1979: (1) Japanese and Asian Economies; (2) U.S., European and USSR Economies; (3) Contemporary Economies; (4) Comparative Economic Systems; and (5) Economic Systems Analysis. This form of organization has remained in place up to the present time.

It has been the institute's regular practice to conduct collaborative research and projects with partners outside the institute and its departments. Although there has been no further organizational change since the institute's restructuring into five departments, the Center for Economic Institutions was established in 2000, and it has contributed toward expanding the institute's network of relationships with researchers and institutions both domestically and internationally. The Center for Statistical Literature on the Japanese Economy, established in 1964, became the Research Center for Information and Statistics of Social Science, with a new section for microdata analysis, as part



*the Economic Review*, the first volume, Iwanami Shoten, 1955.

of the extension and reorganization of the institute in 2002. It provides microdata on government statistics in collaboration with the Statistics Bureau in the Ministry of Internal Affairs and Communications. In 2007, the Center for Intergenerational Studies was founded, pursuing the formation of a cutting-edge research base by collaborating with four Ministries. Furthermore, the Research Center for Economic and Social Risks was established in May 2014 for the purpose of conducting empirical analysis of various risks that the Japanese economy may face. This center publishes the SRI -Hitotsubashi Consumer Purchase Index on its website.

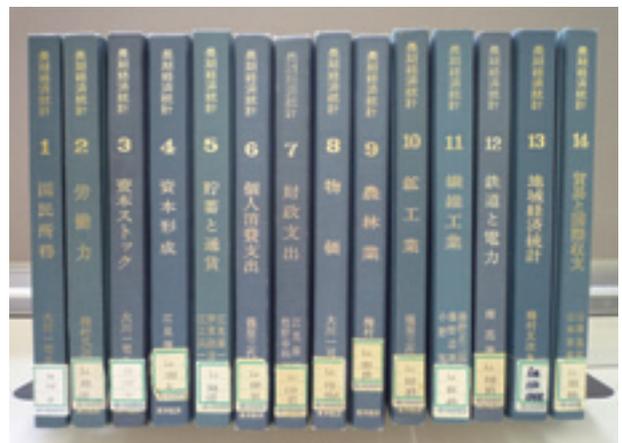
Based on the tradition of *Long-Term Economic Statistics* as the institute's *chef d'oeuvre*, from 1995 to 2000 the Asian Historical Statistics Project was organized. Other projects included "Expanding Usages of Statistical Information" from 1996 to 1999 (supported by Grants-in-Aid for Scientific Research on Priority Areas) and the "Project on Intergenerational Equity" from 2000 to 2005. From 2003 to 2007, two 21st-Century Center of Excellence (COE) programs entitled "Research Unit for Statistical Analysis in the Social Sciences" and "Normative Evaluation and Social Choice of Contemporary Economic Systems" were launched, as well as a JSPS Grant-in-Aid for Creative Scientific Research called "Understanding the Inflation Dynamics in the Japanese Economy" and "Economic Analysis of Intergenerational

Issues: Searching for Future Development," were supported by a Grant-in-Aid for Specially Promoted Research. These are projects that became possible by the reinforcement of theoretical research, emphasis on policy-oriented perspectives, and promotion of institutional and policy research that comprises the synergistic effects of integrating theoretical and empirical research activities, which were put in place after the publication of the article "History and Future" in the thirtieth anniversary edition of the journal *Economic Research* in 1980. Through the integration and further development of the two COE programs, a global COE entitled "Research Unit for Statistical and Empirical Analysis in Social Sciences" was also promoted.

Just before the beginning of the 21st century, IER added new missions, promoting original and cutting-edge research and establishing a joint research unit for members of the research community both within and outside Japan, in addition to continuing its comprehensive economic research on Japan and the world. In 2010, the IER was designated as a "Research Unit for Empirical Analysis of the Japanese and World Economy" by the Joint Usage/Research Center system in the Ministry of Education, Culture, Sports, Science, and Technology; since then it has been establishing a foundation for a joint usage research center, with joint research projects and facilities as its core.

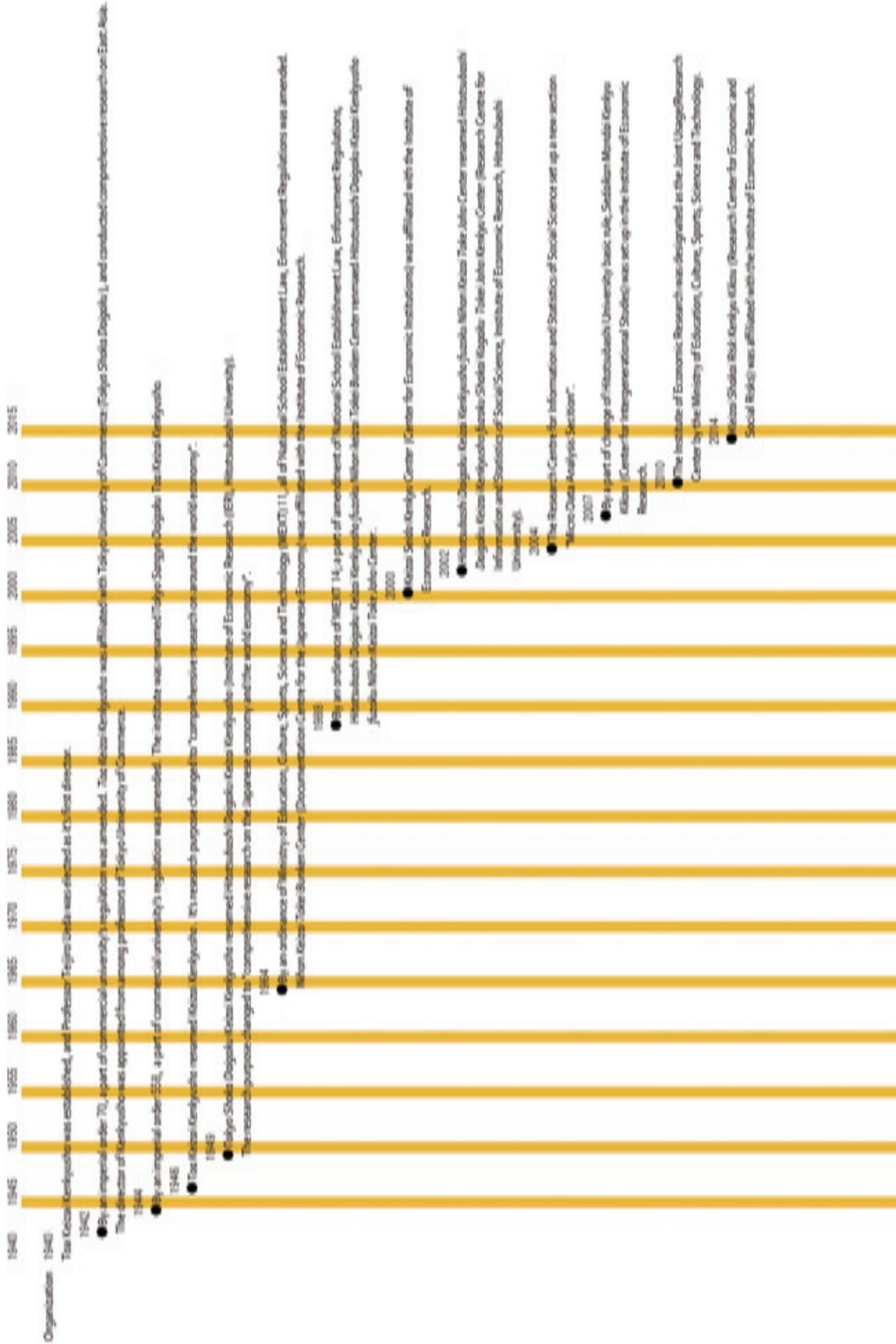


*Economic Research Series*, Iwanami Shoten, 1953-

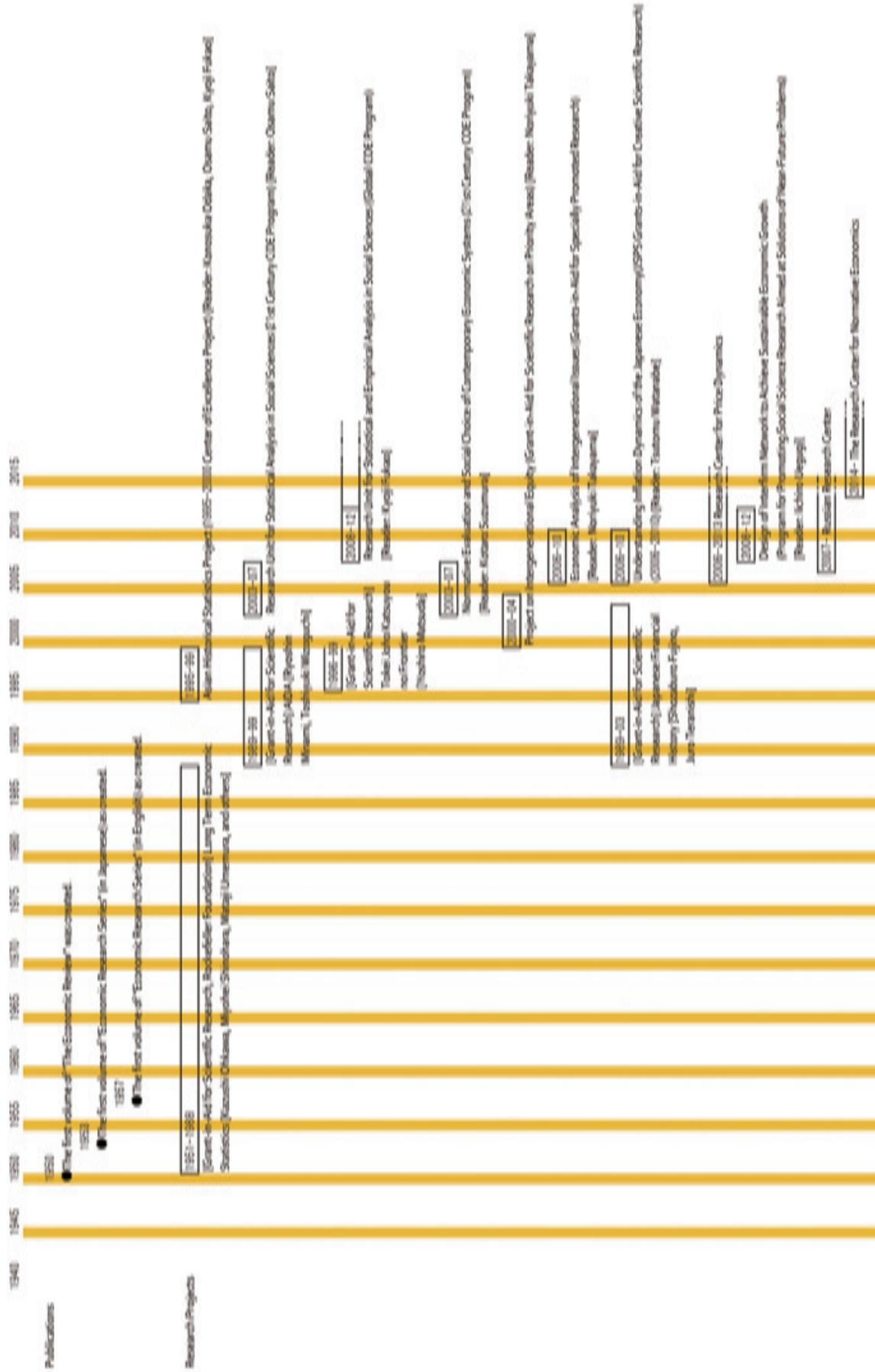


*Long Term Economic Statistics (LTES)*, Iwanami Shoten, 1974-1979 (14 volumes in total) (received the 32th Nikkei Prize for Excellent Books in Economic Science, 1989)

History-Chart







## Building-History

1 Message from the Director

2 Research Activities

3 International Network

4 Publications and Other Contributions to Society

5 About the Institute

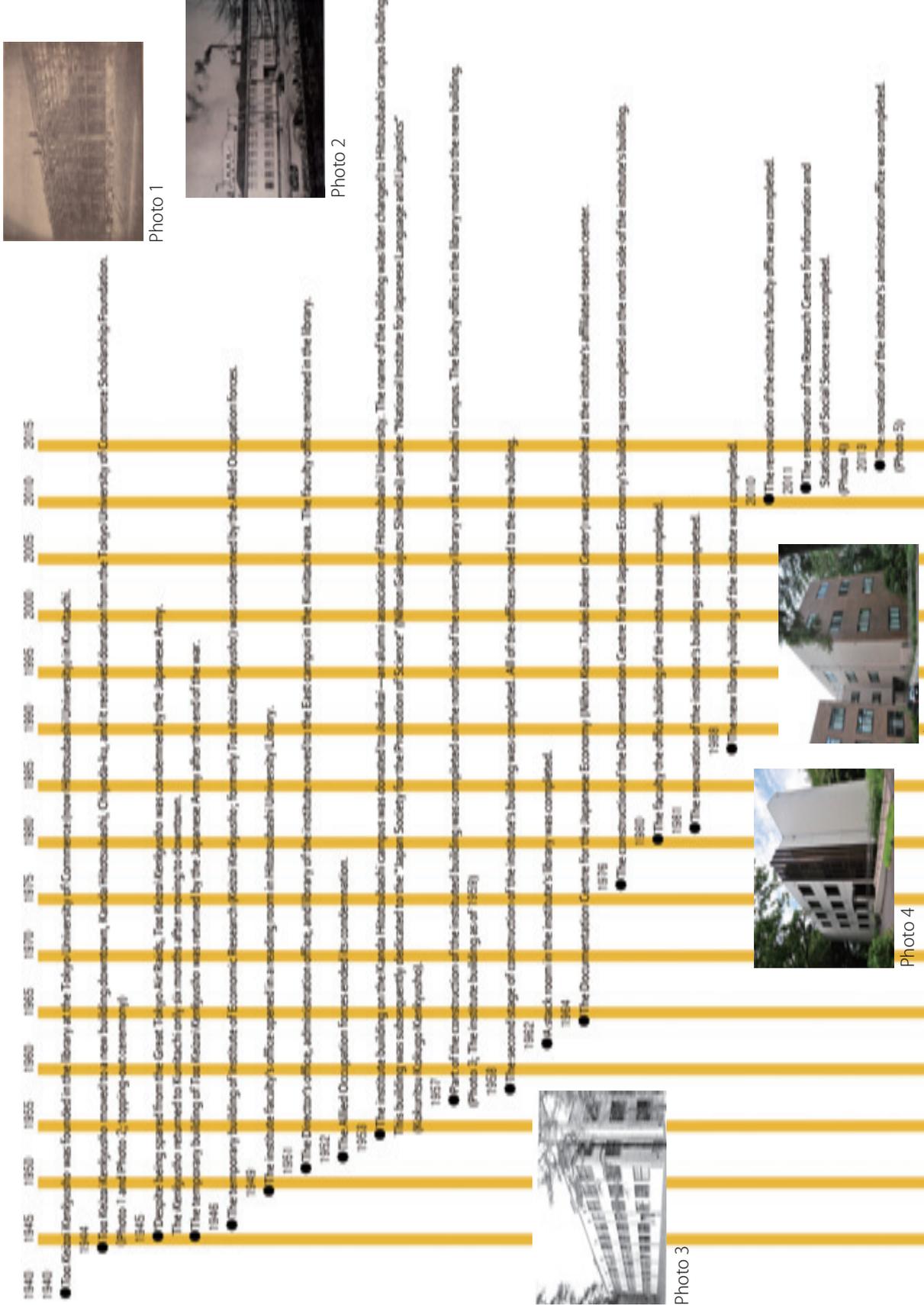


Photo 1



Photo 2



Photo 3



Photo 4



Photo 5

### Former Director

Name	Period
Teijiro Ueda	April, 1940 - May 1940
Sotaro Takase	May 1940 - August 1946
Kinnosuke Ootsuka	March 1947 - February 1949
Ichiro Nakayama	February 1949 - November 1949
Shigeto Tsuru	November 1949 - October 1956
Keiji Ohara	February 1957 - January 1959
Chotaro Takahashi	February 1959 - January 1963
Ryotaro Iochi	February 1963 - January 1965
Shigeto Tsuru	February 1965 - January 1967
Isamu Yamada	February 1967 - January 1969
Seizaburo Oono	February 1969 - August 1969
Kazushi Ohkawa	August 1969 - October 1970
Hideo Yamada	October 1970 - October 1972
Shigeru Ishikawa	October 1972 - April 1974
Mataji Umemura	April 1974 - June 1974
Masakichi Ito	June 1974 - May 1976
Sadayuki Sato	June 1976 - May 1978
Yoshimasa Kuribayashi	June 1978 - May 1980
Koichi Emi	June 1980 - March 1982
Shozaburo Fujino	March 1982 - February 1984
Noboru Miyanabe	March 1984 - February 1986
Takumi Tsuda	March 1986 - February 1988
Toshiyuki Mizoguchi	March 1988 - February 1990
Ryoshin Minami	March 1990 - February 1992
Kenji Tomizawa	March 1992 - February 1994
Konosuke Odaka	March 1994 - February 1996
Yukihiko Kiyokawa	March 1996 - February 1998
Juro Teranishi	March 1998 - February 2000
Osamu Saito	March 2000 - February 2002
Yoshiaki Nishimura	March 2002 - February 2004
Masaaki Kuboniwa	March 2004 - July 2005
Noriyuki Takayama	August 2005 - July 2007
Tamotsu Nishizawa	August 2007 - March 2011
Kazumi Asako	April 2011 - March 2013
Kyoji Fukao	April 2013 -

### Organization



Personnel: as of 1st April, 2014

	Professor	Associate Professor	Assistant Professor	Research Associate/Assistant	Foreign Visiting Faculty	Part time Researcher	Research Associate	Foreign Visiting Scholar	Fellow	Total
Number of members	18	7	3	6	0	26	3	1	4	68

\* 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>	5,313m <sup>2</sup>
Institute of Economic Research Annex	155m <sup>2</sup>	156m <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>	6,469m <sup>2</sup>

## Budget

Operational Budget from the MEXT	General Operational Budget	¥114,117 thou.
	Special Grants of Education and Research	¥26,300 thou.
	Selected Projects by the University	¥4,120 thou.
		¥3,000 thou.
		¥3,000 thou.
		¥370 thou.
Supporting Grants of Operational Expenditures (share of IER)		¥23,219 thou.

Fiscal Year 2013

Grant-in-Aid for Scientific Research	
Grant-in-Aid for Scientific Research (S)	¥61,800 thou. / 2 projects
Grant-in-Aid for Scientific Research (A)	¥69,300 thou. / 8 projects
Grant-in-Aid for Scientific Research (B)	¥30,600 thou. / 8 projects
Grant-in-Aid for Scientific Research (C)	¥1,400 thou. / 1 project
Grant-in-Aid for Young Scientists (S)	¥15,800 thou. / 1 project
Grant-in-Aid for Young Scientists (B)	¥1,900 thou. / 2 projects
Grant-in-Aid for JSPS Fellows	¥2,900 thou. / 3 projects
Grant-in-Aid for Research Activity Start-up	¥500 thou. / 1 project
Grant-in-Aid for Scientific Research on Innovative Areas	¥1,900 thou. / 1 project

Joint Research Projects/ Sponsored Research Projects	
	¥5,000 thou. / 2 projects

Donations	
	¥4,550 thou. / 4 projects

Total	¥195,650 thou. / 32 projects
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### Institute of Economic Research Management Committee Members

Juro Teranishi (Hitotsubashi University; Professor Emeritus)

Haruko Noguchi (Waseda University)

Yuzo Honda (Kansai University)

Satoshi Mizobata (Kyoto University)

Naohiro Yashiro (ICU)

Hiroshi Yoshikawa (University of Tokyo)

Kyoji Fukao (IER, Hitotsubashi University)

Kazumi Asako (IER, Hitotsubashi University)

Tokuo Iwaisako (IER, Hitotsubashi University)

Ichiro Iwasaki (IER, Hitotsubashi University)

Naohito Abe (IER, Hitotsubashi University)

### Institute of Economic Research Joint Center Usage & Joint Research Committee Members

Kimie Harada (Chuo University)

Charles Yuji Horioka (University of the Philippines at Diliman)

Toshihiro Matsumura (University of Tokyo)

Isamu Yamamoto (Keio University)

Jota Ishikawa (Hitotsubashi University)

Kyoji Fukao (IER, Hitotsubashi University)

Naohito Abe (IER, Hitotsubashi University)

Tokuo Iwaisako (IER, Hitotsubashi University)

Ichiro Iwasaki (IER, Hitotsubashi University)

## 5-4 External Evaluation

### External Evaluation

	Publication of report	Publication of report	Evaluation committee members
1st	June 1997	<ul style="list-style-type: none"> <li>(1) Research activities of the Institute overall and state of research in individual departments.</li> <li>(2) Budgeting directly related to research, and procedure of budget allocation.</li> </ul>	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	<ul style="list-style-type: none"> <li>(1) The coordination of the use of computer equipment between the research departments of the IER, the RCISSS, etc., and the administration.</li> <li>(2) Evaluation in terms of personnel and organization.</li> <li>(3) Evaluation in terms of facilities and infrastructures.</li> <li>(4) Evaluation of sufficiency of services and staff support.</li> <li>(5) Network and databases (including the publication of information).</li> </ul>	Masaaki Shibuya (Takachiho University), Hiroshi Sadamichi (Kyoto University), Tomoyuki Tarumi (Okayama University), Yasumasa Baba (Institute of Statistical Mathematics)
3rd	March 2001	<ul style="list-style-type: none"> <li>(1) Examination of research activities and output of the Institute overall and individual research departments.</li> <li>(2) Evaluation of contribution to national and international conferences and contribution to society.</li> <li>(3) Overall evaluation of the IER as a research institute affiliated with a national university.</li> </ul>	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	<ul style="list-style-type: none"> <li>(1) Examination of the operations of the RCISSS such as the compilation, management, and use of statistical information.</li> <li>(2) Examination of the activities of the academic staff of the RCISSS.</li> <li>(3) Overall evaluation of the RCISSS as an information center in terms of its contribution to academia and society.</li> </ul>	Kazuhiro Igawa (Kobe University), Sadanori Nagayama (Japan Statistical Association), Konosuke Odaka (Hosei University), Yuzo Yamamoto (Kyoto University)
5th	September 2006	<ul style="list-style-type: none"> <li>(1) Research system and research activities from an overall organizational perspective.</li> <li>(2) Research level and output of large-scale research projects and the Center for Economic Institutions.</li> <li>(3) The research support structure.</li> </ul>	Kazuhiro Ikee (Keio University), Masayuki Iwata (Tokyo International University), Makoto Ohta (Waseda University), Charles Yuji Horioka (Osaka University)
6th	March 2013	Overall evaluation of the institute activities and their supporting faculties	Takeaki Kariya (Meiji University), Yutaka Harada (Waseda University), Satoshi Mizobata (Kyoto University), Haruko Noguchi (Waseda University)

1 Message from the Director

2 Research Activities

3 International Network

4 Publications and Other Contributions to Society

5 About the Institute

## 5 About the Institute | 5-5 Contributions to Graduate Education

### 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	1	22	2013
2. No. of students whose main academic supervisor is an academic staff member of the IER	33	32	2013

1 Message from the Director

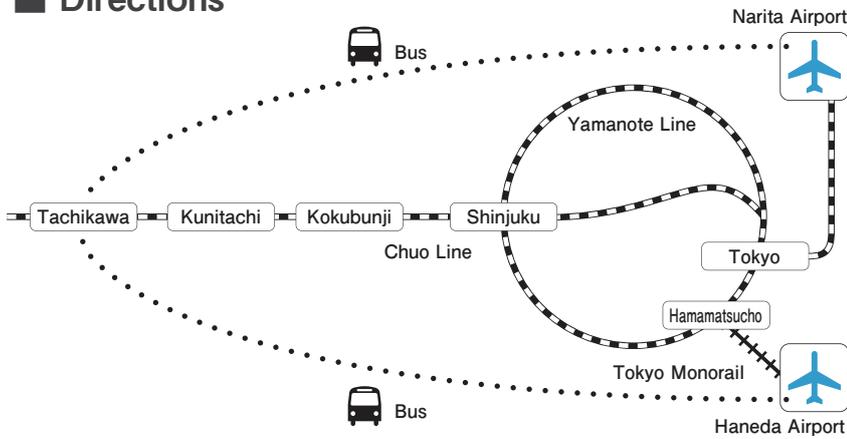
2 Research Activities

3 International Network

4 Publications and Other Contributions to Society

5 About the Institute

## Directions



### ● From Narita 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.

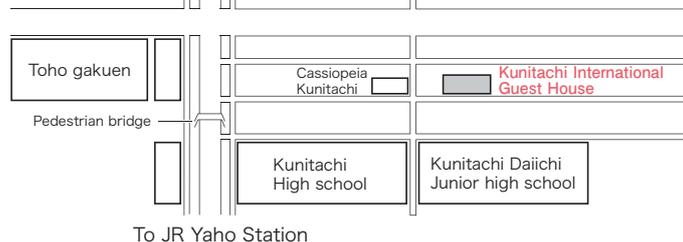
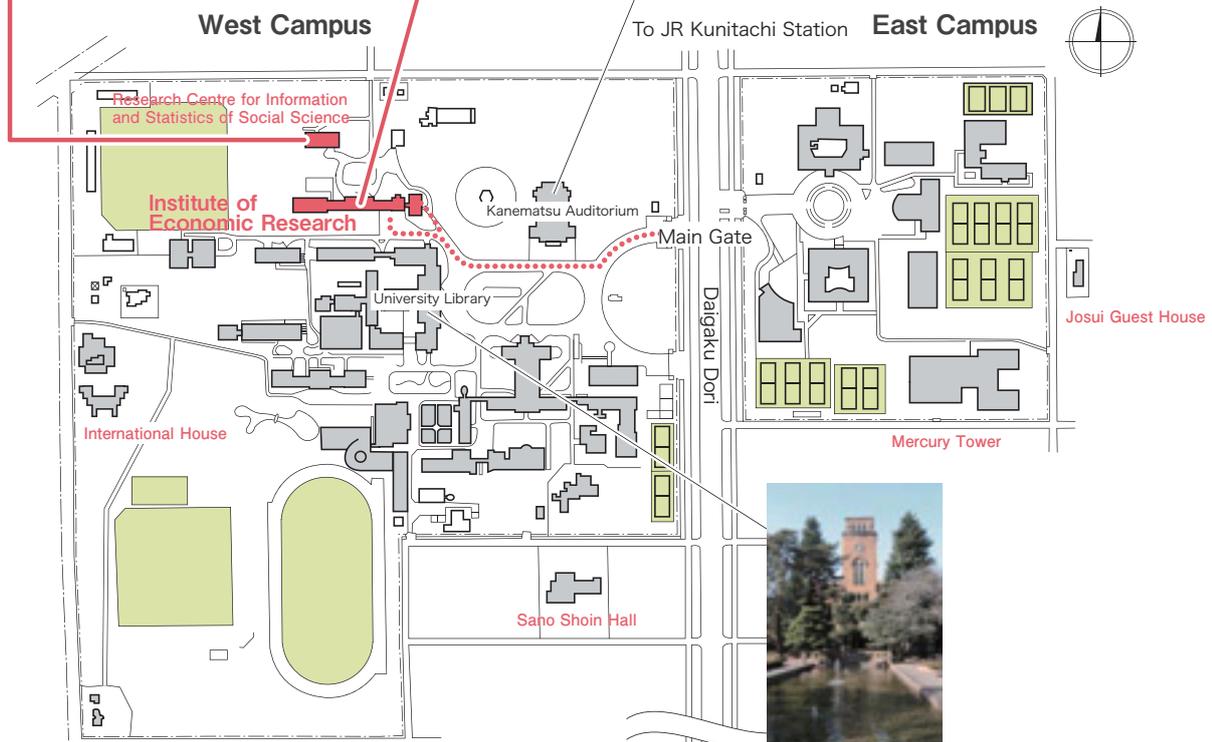
Alternatively, take the Airport Limousine bus from the airport to Tachikawa Station (approx. 170 minutes). Take the Chuo Line from Tachikawa Station to Kunitachi Station, it takes approximately 3 minutes.

### ● 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).

Alternatively, take the Keihin Kyuko Bus from the airport to Tachikawa Station (approx. 100 minutes). Take the Chuo Line from Tachikawa Station to Kunitachi Station, it takes approximately 3 minutes.

## Campus Map



**INSTITUTE OF ECONOMIC RESEARCH  
HITOTSUBASHI UNIVERSITY**

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