



COLUMBIA
BUSINESS
SCHOOL

日本經濟經營研究所

CENTER ON JAPANESE ECONOMY
AND BUSINESS

ANNUAL REPORT 2003-2004



COLUMBIA
BUSINESS
SCHOOL

日本經濟經營研究所

CENTER ON JAPANESE ECONOMY
AND BUSINESS

ANNUAL REPORT 2003-2004

TABLE OF CONTENTS

Center on Japanese Economy and Business—Introduction	3
Viewpoints	5
Letter from the Director and Associate Director for Research	6
Update on “Perspective on Japan’s Economy,” by Hugh Patrick	7
The Research Community	29
Director	30
Associate Director for Research	31
Associate Director for Programs	32
Core Faculty.....	33
Research Associates	40
Activities	43
Major Projects	44
Conferences	47
Symposia	49
Lectures	54
Weatherhead East Asian Institute Brown Bag Series	55
Fellowship Programs	56
Publications	57
Working Paper Series	58
Occasional Papers	59
<i>Memoir of a Trustbuster</i>	59
CJEB Connections	60
Pacific Trade and Development Conference (PAFTAD) Series	61
Pacific Economic Cooperation Council (PECC)	61
APEC Study Center of Columbia University	62
Japan Economic Seminar	62
U.S.-Japan Discussion Group	63
Japanese Monetary Policy Discussion Group	64
President Bollinger’s Visit to Japan	64
Student Outreach	64
Faculty in the Media	65
Japan Productivity Center for Socio-Economic Development Seminars	66
Japan Information Access Project	66
Resources	67
Professional and Administrative Staff	68
Professional Fellows	69
Visiting Fellows and Scholars.....	71
Interns	72
International Advisory Board	72
Faculty Advisory Board for the Program on Alternative Investments ...	73
Library and Databases	74
Financial Support	75
Corporate Sponsorship Program	76
Foundation Grants	78
The Program on Alternative Investments	78
Other Funders	78
Highlights of the Year’s Activities	79

日本經濟經營研究所

CENTER ON JAPANESE ECONOMY
AND BUSINESS

CENTER ON JAPANESE ECONOMY AND BUSINESS

The Center on Japanese Economy and Business (CJEB) was established at Columbia University as an integral part of the Graduate School of Business in April 1986. Hugh Patrick, its founding director, continues to lead the Center as it keeps pace with the highs and lows of the Japanese economy for nearly two decades. The central mission of the Center has been to enhance understanding of the Japanese and Asia-Pacific economies, their business behavior, and their financial and management systems.

The Center carries out its mission through programs of research, teaching, public discourse, and policy analysis. These programs focus on Japan's international economic and business relationships with the United States and in bilateral, Asia-Pacific regional, and global contexts. CJEB enhances its areas of activities by promoting and participating in scholarly and professional exchanges and by developing library and computer-based data resources for the Columbia community.

The Center has become widely recognized as the preeminent academic institution in the United States in its area of activities. All activities of the Center flow from ambitious and effective research, which is solidly academic in conception but has real-world applications. The Center's research projects are the results of collaborative efforts among Columbia faculty and groups of scholars from U.S. and international institutions. Its core faculty members are predominantly Japan specialists drawn from Columbia University's Business School, Economics Department, Law School, Political Science Department, and School of International and Public Affairs. The Center also greatly values its group of research associates, consisting of over twenty senior experts on the Japanese economy from a wide range of institutions. The results of the Center's research programs are disseminated through its publications, such as the CJEB Working Paper Series, and its academic and public policy forum reports.

The close ongoing relations the Center maintains with scholars, business leaders, and government officials in the United States, Japan, and other Asia-Pacific economies enrich the Center's programming and research. CJEB serves as the U.S. liaison office for the Pacific Trade and Development Conference Series (PAFTAD), for which Professor Patrick serves as chair of the International Steering Committee. Together with the Weatherhead East Asian Institute, the Center oversees the APEC (Asia-Pacific Economic Cooperation) Study Center at Columbia University. CJEB also hosts a number of discussion groups where academics and practitioners come together to share ideas and perspectives on current issues facing Japan.

The success of the Center's comprehensive activities is due to the direction of its leaders, the commitment of its core faculty and able team of administrative staff, and the funding provided by corporate sponsors, foundations, other external sources and University sources. In the coming years, the Center will continue to strive to provide the best program of its kind at any business school or university in the world.

視
点

VIEWPOINTS

LETTER FROM THE DIRECTOR AND THE ASSOCIATE DIRECTOR FOR RESEARCH



Hugh Patrick



David Weinstein

The Center continues to pursue innovative research and program activities that reflect the Center's ongoing dedication to increasing understanding of the Japanese economy and its business and financial systems in domestic, Asian, and global contexts.

As the annual report discusses in detail, Japan's economy is undergoing a sustained recovery, but future prospects remain uncertain. The Center is near completion of a major research project titled "Solutions for the Japanese Economy," involving 15 outstanding Japanese and American economists as chapter authors.

The core faculty of the Center have been widely published in academic journals and major newspapers and periodicals this year (a partial list is included in this report on page 65). Lee Branstetter was named the Daniel Stanton Associate Professor of Business at Columbia Business School and spent the 2003–2004 academic year on leave in Japan under an Abe Fellowship. David Weinstein, Shoup Professor of the Japanese Economy and associate director for research, continues to strengthen the Center's research agenda. His contribution to the "Solutions for the Japanese Economy" project organized jointly with the University of Tokyo has been widely cited in such publications as *The Economist* and the *Nikkei Shimbun*.

The Program on Alternative Investments now plays a role in the programmatic activities of the Center. Its success is due to the direction of Dr. Mark Mason, the administrative support of the efficient Center staff, and the contributions from the Program's lead corporate sponsors. The program has been enormously successful in bringing together practitioners, academics, and students interested in hedge funds, real estate, and private equity investments.

The Center's accomplishments are possible only through the dedication and intelligent energy of the faculty and staff directly involved, the resources provided by the Business School, and the generous financial support provided by foundations, Japanese and American corporations, and individuals. The Corporate Sponsorship Program of annual contributions has been vital in ensuring the Center's ongoing momentum.

We deeply thank all our supporters.

A handwritten signature in cursive script that reads "Hugh Patrick".

Hugh Patrick

A handwritten signature in cursive script that reads "David Weinstein".

David Weinstein

UPDATE ON *PERSPECTIVE ON JAPAN'S ECONOMY*

THE JAPANESE ECONOMY: SUSTAINED RECOVERY AND GROWTH NOT YET ASSURED

In contrast to the pessimism of a year ago, in early summer 2004 optimism about the Japanese economy prevailed. And with good reasons. Economic performance, broad based, has been the best since the bursting of the stock and real estate price bubbles in 1990–91. Since summer 2002, Japan's official GDP recorded eight successive quarters of increasing growth rates, and the 2003 growth rate of 2.5 percent will be substantially exceeded in 2004. The *Economist* August consensus forecast is 4.5 percent, with a range of 4.0 to 5.0 percent. In July the government virtually doubled its forecast for fiscal 2004 (to March-end 2005) to 3.5 percent growth. As reflected in the very positive June *Tankan* survey, business sentiment is the best since 1992. The stock market has risen by some 48 percent from its April 2003 bottom. Business profits are up significantly. Moreover, this cyclical recovery differs from the previous ones in two major respects: there has been no fiscal stimulus contribution and exports, especially to China, have been booming.

Pessimists express concern that this is the beginning of a significant slowdown.

However, surprisingly poor GDP growth in the April-June quarter, at only a 1.7 percent seasonally adjusted annual rate, announced in early August, was a shock. Moreover, the September 10 downward revision, not upward as expected, to 1.3 percent, has been an additional shock, inducing further caution. Nonetheless, optimists argue it is only a temporary setback, reflecting a series of on-off adjustments. They note the GDP estimates are inconsistent with the METI economic activity data; suggest first-quarter growth may have been overestimated and second-quarter, accordingly underestimated; and point to evidence that third-quarter growth will rebound, in part reflecting consumption increases due to the very hot summer. Pessimists interpret this performance, far below expectations, as casting doubt on the strength and sustainability of the recovery; they suggest GDP growth peaked in the first quarter; and they express concern that this is the beginning of a significant slowdown. The evidence of early October indicates the economy is slowing down but only moderately. The September *Tankan* indicates business confidence continues to be strong, and policymakers seem to be sanguine. I think that the economy will rebound somewhat the rest of this year, but growth is beginning to slow.

What does the current, generally positive economic evidence tell us about Japan's near-term and longer-term future? Is Japan now finally on the path to self-sustained growth, or is it simply having its third cyclical recovery since 1991—the best, but not sufficient

It is premature to assert that the economy is embarking on self-sustained recovery and growth.

to break out of the decade-long pattern of mediocre economic performance? Despite the current optimism in many circles, and despite my own optimistic proclivities, it is premature to assert that the economy is embarking on self-sustained recovery and growth. Too many serious problems persist and must first be overcome.

Let me note several cautions about the economic data. GDP growth, while nonetheless good, is probably overestimated by at least 1 percentage point because the strong deflationary bias of the business investment deflator estimate leads to an overestimation of both the GDP deflator and real growth. This technical problem is due to be resolved next year with the new GDP estimates (and growth rates will be revised downward), but by then that will be history.

The high volatility of monthly and even quarterly estimates of various economic measures of output and demand, coupled with seasonal adjustment problems, make it difficult to separate trend substance from noise. Business optimism in the June and September Tankan is driven by large manufacturers, especially exporters; the small business survey (*Shokochukin*), while improving, has yet to achieve break-even levels and in mid-2004 had even declined slightly. Analysts were misled by the very positive Ministry of Finance Corporate Survey report in August showing that business investment in the April-June quarter rose at a 10.7 percent annual rate. It turns out these results were probably due to sampling errors; almost half the reported increase was attributed to very small service firms, usually a negligible share of business investment. That was a sample of only 120 of some 74,000 such firms, and the sample changes annually in the spring quarter.

Finally, in my view, the real gap between actual and potential output is larger than the measured gap, because the latter does not attach adequate weight to the realities of labor unemployment and underemployment. A further puzzle is that high-gross business investment persists, but Japan's capital stock remains flat.

My substantive concerns are more important. While there has been some improvement, the problems essentially are no different than those discussed in last year's CJEB Annual Report essay. My main concerns are about the future adequacy of aggregate demand and, relatedly, when deflation will end; the profound, persistent weaknesses in labor markets; the still-weak banking system, coupled with an ongoing decrease in bank loans; the unremitting decline in land prices; and the need for continued restructuring both of businesses and, especially, of government financial institutions and special enterprises. There are improvements in all these areas, but the

uncertainty is whether they will be sufficient to overcome the existing obstacles to achieving sustained full-employment growth. To all this is added my fear of complacency: that business and government policymakers will be deluded into believing the economy is doing so well that there is no need to persist in restructuring efforts and that inertia and forbearance can once again be the dominant mode. The danger lies in the attitude of those policymakers who, one year ago, felt that nothing could be done and who now feel nothing needs to be done.

There are other concerns, but they are less important; each might slow growth marginally, but none will force Japan back into recession or growth underperformance. Japan is a very efficient energy user; it could absorb the direct impact of a sustained rise in the price of oil to \$50/barrel, with only a modest negative growth effect, in part because the yen would weaken in response. A Chinese hard landing (4 percent rather than 7 percent growth) would have an adverse effect, but not as serious as some doomsayers proclaim. I do not know how the exchange rate will move in coming months, but any yen appreciation will be limited and absorbable, and substantial depreciation unlikely because of probable U.S. and E.U. responses.

The danger lies in the attitude of those policymakers who now feel nothing needs to be done.

MACROECONOMIC PERFORMANCE AND AGGREGATE DEMAND

Aggregate demand remains a major problem. Growth in recent quarters has been driven by burgeoning exports at a 10–12 percent annual rate and, relatedly, rapidly expanding business investment close to 14 percent. Given the huge size of the Japanese economy and its small reliance on exports (now up to about 12.5 percent of GDP), export growth cannot sustain GDP growth over the longer run. This is quite aside from the reality that Japan's export and burgeoning current account surplus growth rates will not persist. World GDP and trade will slow in 2005; U.S. economic growth is slowing, and so, too, is China's growth and demand for imports.

In order to prevent excessive yen appreciation and thereby sustain export growth, between July 2003 and March 2004 the government continued its extraordinarily large purchases of dollars, about \$280 billion. This intervention then ended, at least temporarily, as the yen weakened to its current 108-112 range once it was understood the U.S. Federal Reserve Board would begin to raise the benchmark interest rate, as it did in June. Japan's foreign exchange reserves at August-end were \$828 billion, some 18 percent of GDP. I expect that if the yen were to strengthen quickly to 105 or 100, intervention would start once again.

The best news about improving corporate performance is that it is so widespread.

Business investment growth will slow from its current torrid pace despite rising profits and better balance sheets. Corporate performance has improved substantially, particularly profit increases and reduction of debt, but profits remain significantly below other advanced industrial nations. The return on equity (ROE) of Japan's largest companies, the Topix 500, was 6.4 percent for the fiscal year ending March 2004, better only than Germany. Three-quarters of the companies had a ROE of less than 10 percent, the poorest among major industrial economies. The best news about improving corporate performance is that it is so widespread. Small and medium-sized enterprise (SME) performance was better than that of large firms, particularly in nonmanufacturing, albeit from lower levels. SME operating profits rose more rapidly, and debt was reduced more. Most problem loans are to SMEs, so this recent performance suggests substantially reduced bankruptcy and nonperforming loan problems. However, the data on SMEs are considerably more murky than for companies listed on the stock exchanges.

Japan's economic structure has not changed as much as might have been expected. In part that is because Chinese investment demand generated major increases in exports by Japan's traditional heavy industries of steel, construction equipment, and chemicals. At the same time, differential responses to market competition and demand growth have been widening the spread in performance between sectors and between more and less successful firms in each sector. Japanese firms in export industries, notably automobiles and electronics, are world leaders; in contrast, the relative productivity in most service sectors is low. Much of Japan's improving economic performance is due to the ongoing successful process of corporate restructuring and cost cutting, gradual but sustained. Nonetheless, substantially more needs to be done, and corporate balance sheets, whose problems were exacerbated by deflation replacing earlier mild asset inflation, need to strengthen further.

Consumption expenditures have been growing surprisingly well in 2004. With slowing growth of exports and business investment, aggregate demand will depend even more on increases in consumption in the coming months and years. But consumption growth, too, will slow. The key factors are the growth of household income and their choices between spending and saving. The past pattern of maintaining consumption and living standards by reducing the saving rate has probably come to an end, so consumption growth will depend on income growth and that appears to be only modest. Income growth depends on wage increases and the nature and quality of

employment increases. While the summer 2004 semi-annual bonus for regular workers on average increased some 1–2 percent, wages have not increased despite the rise in corporate profits. Labor’s bargaining power remains weak as firms continue to cut costs and downsize.

The decline in the household saving rate has been dramatic, as stressed in my essay last year: from 16.5 percent of GDP in 1986, to 12.0 percent in 1995, to 9.8 percent in 2000, to 5.9 percent in 2002. In macro perspective, this has been desirable since it reduces the aggregate demand gap (the paradox of thrift), more than offsetting the government’s slightly restrictive fiscal policy. In the longer run, in order to achieve macroeconomic equilibrium, the private saving rate must continue to decrease, both to reduce the need for fiscal deficits to maintain aggregate demand and to offset appropriate decreases in the share of investment in GDP.

Given the time lags in the GDP (national accounts) data, analysts have used Bank of Japan (BoJ) flow of funds data to estimate more recent household saving trends, based on changes in holdings of financial assets. In 2003 it was a deficit figure for the first time ever. However, rather than measuring a further decline in the household saving rate, it probably is due to household land purchases as corporations have sold land. The buyers are small businessmen and wealthy families.

This may be a useful indicator of possible changes in land prices, though the most recent data (for July 2004) show a persistent decline in all categories nationwide, averaging 6.5 percent for commercial properties. Real estate price increases in the affluent Tokyo, Osaka, and Nagoya wards do not constitute a trend; the value of property in Tokyo amounts to only 16 percent of the national total, and while perhaps bottoming, the contrast with Osaka, with an 8.0 percent decline in 2003, and Nagoya, a 6.0 percent decline, is stark. Since firms by fiscal 2005 will have to mark-to-market substantial losses on real estate, some have begun selling unneeded holdings in order to smooth balance sheet adjustments, required by this impairment accounting.

Macroeconomic policy has been inadequate to restore aggregate demand and end deflation. Despite the huge budget deficit, due mainly to revenue shortfalls and scheduled social security payments, fiscal policy has been slightly tight, not easy, as the government has been substantially reducing public works expenditures since 1998. Monetary policy has continued to be quite stimulative. BoJ policy has been much more effective under Governor Toshihiko Fukui in communications and policy coordination, with explicit emphasis on managing expectations about monetary policy (more on this below).

*Bank of Japan
policy has been
much more effective
under Governor
Toshibiko Fukui.*

The ending of deflation will probably take another year or longer.

Nonetheless, macroeconomic policy has not been sufficient to stop the five years of mild but sustained deflation. The costs of deflation to business and financial institutions, and hence aggregate demand, are well established. While the core consumer price index (CPI) inflation rate is now close to 0, that may well be temporary, since the one-time effects of cost-push price increases in medical fees, electricity and gas rates, and 2003's poor rice crop will come to an end by October; increases in oil-related prices are beginning to show up in the CPI, but the effect will be small. (Japan's definition of core CPI excludes only perishable foods, unlike the broader U.S. definition, which excludes all food and energy prices because of their short-run volatility.) In any case, a focus on whether Japan's core CPI change is 0.1 percentage points above or below 0 is misguided. It is well recognized that the upward bias in the index is about 1 percentage point, so price stability and the ending of deflation will be achieved only when the CPI rises about 1 percentage point annually. By this metric, the ending of deflation will probably take another year or longer.

Growth will almost certainly slow in 2005. The government July forecast is "slightly more than 2 percent" for fiscal year 2005. The *Economist* August consensus forecast for calendar 2005 is 2.3 percent, and the range is quite wide, from 1.1 to 3.8 percent, reflecting considerable uncertainty about export, business investment, and consumption prospects. A key issue is whether this will be another business cycle slowdown returning Japan to its pattern of mediocre 1.3 percent growth with underutilized labor and other resources or whether growth will be sufficient to maintain the current momentum toward sustained growth. We are probably a year away from making that judgment.

MONETARY POLICY AND "EXIT" STRATEGY

A key macroeconomic policy issue is the timing of the Bank of Japan's exit from its ongoing liquidity-based monetary policy of quantitative ease, which maintains a zero interest rate policy (ZIRP) for the bank overnight call market, analogous to the U.S. Federal Funds market. To exit its current policy and re-create normal financial market conditions in a normally performing economy, the BoJ must sequentially manage two financial market transitions. The first is the final lifting of full guarantees of bank demand deposits, scheduled to return to the previous ¥10 million ceiling by April 2005. That should not be too difficult for more than a few smaller, local banking institutions. Moreover, a potential huge loophole persists: zero-interest-

earning settlement deposits for business transactions will continue to receive an unlimited guarantee.

The more difficult, and trickier, transition will be switching the Bank of Japan's operating target from liquidity (quantitative easing) to interest rates. Quantitative easing is based on the BoJ's creation of financial institution huge excess reserves, which are currently deposited in the BoJ because the banks have no better use for them. The BoJ policy target for these current accounts is ¥30–35 trillion, of which the required reserves component is only about ¥6 trillion. Once the BoJ terminates ZIRP, financial institutions quite rationally will withdraw excess reserves and invest in safe, short-term, interest-yielding government bills or even in more risky assets.

There are two policy issues: timing and sequencing of the exit process. The expansion of excess reserves (quantitative easing) has had no direct economic effect on spending, but has usefully served as an expectations signal to financial markets, indicating the central bank's commitment to its policy of extreme monetary ease. Presumably the expectations effect works the other way as well. Well before the BoJ raises its benchmark interest rate, it probably will reduce somewhat the overhang of the current account excess reserves, with the termination of ZIRP occurring late in the process. Bond market reactions will be important in managing the process.

What are the conditions determining when the quantitative ease targets will be reduced, signaling the beginning of the exit process? The BoJ conditions are clearer than before, but still somewhat vague: when core CPI increases remain at or above 0 for several months and a majority of the Policy Board members expect its positive value will persist and, presumably, when the economy continues to perform reasonably well. Many, including me, believe this is too low a threshold. The CPI should be sustained at about 1 percent increases as a reference point and should be due to demand-pull rather than cost-push price increases, before the BoJ exits its current extraordinary but essential policy position of great monetary ease. The economy needs to reenter normal economic conditions in which full employment and potential real GDP growth are sustained, nominal growth is positive, the CPI increase is in a 1–2 percentage point range, and interest rates are positive with normal spreads correctly reflecting credit risk and term maturity.

Given its bad experience in exiting ZIRP in 2000, the Bank of Japan is likely to continue to be cautious about the timing of exit, and that is good. It is not inconsistent for the BoJ to become increasingly positive about Japan's economic prospects while holding off on end-

The CPI should be sustained at about 1 percent increases as a reference point.

Japanese government bonds (JGBs) will suffer mark-to-market losses as their prices decline when monetary policy exits ZIRP.

ing the current policy of monetary ease. We will obtain a better sense of BoJ policy when it releases its semiannual report on October 29 with forecasts of CPI and GDP growth; as last October, they may well use that as an opportunity to define their exit strategy more clearly and precisely. I do not expect the BoJ to tighten its policy before late 2005, and that assumes the CPI will have been increasing for some time and the economy is performing well.

Even before ZIRP ends, reductions in the excess reserves financial institutions hold in their current accounts at the BOJ will generate expectations of ZIRP termination, and markets will drive longer-term interest rates up. Banks and other private-sector holders of fixed-rate interest assets, notably Japanese government bonds (JGBs) will suffer mark-to-market losses as their prices decline when monetary policy exits ZIRP. However, presumably interest rates will not rise significantly until the economy is continuously improving, so bondholder losses will be offset by gains in their equity holdings and by reductions in the credit risks of their borrowers. Bank lending rates will increase, but borrowers will be better able to afford them. Increases in saving deposit rates, beneficial to savers, are likely to lag somewhat, and interest rate spreads will become more normal. Despite some rough spots, this transition to a more normal financial market and economy is not only to be expected but desired once full-employment sustained growth is restored.

INADEQUATE JOB CREATION

Perhaps Japan's most serious problem, cyclically and structurally, is unemployment, underemployment, and misallocated labor. The reduction in the seasonally adjusted unemployment rate from 5.3 percent last summer to 4.6 percent in June 2004 was an improvement, but in July the rate slipped to 4.9 percent, where it had been at the beginning of 2004. The reported labor force size declined in the spring but increased in July. Month-to-month swings in data are not uncommon, so I do not interpret this as a sudden worsening of labor conditions; the August unemployment rate of 4.8 percent is consistent with this view.

However, the employment data mask the major decline in the quality of jobs and the withdrawal of persons of working age (15–64) from the labor force. Between 1997 and 2003, the labor force participation rate dropped to its lowest level ever. During this period, employment declined by 2.4 million persons: 1.2 million withdrew or never entered the labor force, and 1.2 million became unemployed. Worse, ever since 1997 full-time regular employment has

continually decreased, while part-time and temporary employment has risen steadily and now comprises more than a quarter of total employment. Many of these part-time workers, especially young men and women, want full-time regular jobs. Part-time male workers earn only 51 percent of their full-time counterparts; female full-time workers earn only 66 percent of males, and part-time female workers only 44 percent of full-time males. Department stores now rely substantially on part-time workers; more broadly, firms with more than 1,000 employees are replacing retiring full-time workers with part-timers, rising on average from 3.9 percent of their employment in 1995 to 8.6 percent in 2002, and higher today. Total cash earnings, including regular wages, overtime and semiannual bonuses, have been declining for several years and now finally appear to be flattening out. Obviously, poor employment and wage patterns retard consumption expenditures.

Young workers are not obtaining the benefits of skill development through on-the-job training.

In longer-term perspective, the weak labor market is harming young Japanese disproportionately. The unemployment rate for those 20–24 and not in school in 2002 was 9.3 percent; in 1990, only 3.8 percent. For those 15–19, the rates were higher, going to 12.8 percent from 6.6 percent. The “idle labor” rate (those neither in school nor in the labor force) for those 20–24 was 17.0 percent in 2002, up from 11.3 percent in 1990. For those 15–19, it was 24.3 percent, up from 14.6 percent. Equally serious have been the increases in young part-time workers. In 2003, 45.5 percent of all young part-time workers (ages 15–24) were male. These male part-timers comprise 28.3 percent of their age group, up from 14.9 percent in 1990. Some 35.2 percent of young female workers were part-timers in 2003, up from 18.4 percent in 1990.

Some of these young people have voluntarily chosen alternative lifestyles made possible by the wage rates of an affluent society. Nonetheless, survey data indicate most would prefer full-time regular jobs. The substantial rise in the proportion of part-time workers, not limited to but especially among young people, significantly reflects the still-weak demand for labor. In the longer run, this means young workers are not obtaining the benefits of skill development through on-the-job training. This is a major cost of Japan’s mediocre economic performance since 1991.

FINANCIAL SYSTEM REFORM

The likelihood of a systemic banking crisis has now ended. All of the eight big banks except UFJ increased profits, asset quality, and capital adequacy. They also reduced nonperforming loans in line

with (or better than) the Financial Services Agency (FSA) March-end 2005 requirement that they be no more than half of the NPLs reported at March 2002 peak levels. The banks benefited significantly from the rise in the prices of their substantial holdings of shares in client borrowers. Nonetheless, the banking system remains weak, with extraordinarily low capital, low operating profits, weak loan demand, excessively narrow interest rate spreads, and huge government bond holdings exposed to price declines once interest rates do rise.

The most dramatic event has been the decline and fall of UFJ Bank, one of the four megabanks, and the ongoing drama of its merger either into Mitsubishi Tokyo Financial Group (MTFG) or Sumitomo Mitsui Financial Group (SMFG). UFJ's still-high NPLs, particularly their heavy concentration in a few large, distressed firms, and especially its deceitful reports to the FSA led the FSA in late spring to take severe regulatory and administrative measures, including the removal of top management and imposition of stringent requirements to increase NPL provisioning sharply by March 2005. UFJ's initial response was to negotiate the sale of its trust bank to Sumitomo Bank and Trust Company. In mid-July UFJ reported that it would merge by October 2005 with MTFG, the least weak Japanese megabank. Then SMFG announced it wanted to be UFJ's merger partner, initiating an unprecedented, revealing contest.

The initial issues were how much capital the new partner would inject by a September 10 deadline into UFJ to maintain capital adequacy when the September-end balance sheet and profit statements would require massive NPL provisioning and what positions UFJ board members and senior managers would receive. The contest was fought simultaneously in the courts, with Sumitomo Trust and Banking Company (not a part of SMFG) arguing that it had a prior commitment to purchase UFJ's trust business. Following a favorable court decision on August 12, MTFG and UFJ the next day announced a basic merger agreement; the proposed name is Mitsubishi UFJ Holdings. However, on August 24, SMFG made a bid to UFJ management at a premium of 23 percent over the then-current share price. While this is not yet hostile in the sense of appealing directly to UFJ shareholders through the market, UFJ management have made clear it prefers a merger with MTFG.

On September 10, UFJ Bank announced a ¥780 billion projected loss for the first six months and accepted MTFG's offer to inject ¥700 billion (\$6.4 billion) by purchasing nonvoting preferred shares, convertible only in an event such as a hostile bid, into 35 percent of

voting preferred shares. That would provide MTFG veto power over UFJ management decisions. This poison pill may well end the contest for control of UFJ. However, MTFG has not yet announced its price for UFJ, citing the need for due diligence into UFJ's NPL and other problems; presumably it will do so soon.

UFJ's merger into either MTFG or SMFG will create the world's largest bank in assets, though certainly not in profits or profitability. To be successful and make the new bank competitive, the merger will require massive cost cutting, improved lending decisions, exploitation of potential synergies, and the development of new revenue sources, in addition to dealing effectively with their different corporate cultures.

Government banking policy, combining continued forbearance and increasing FSA pressure, will make sure the major banks achieve their nonperforming loan reduction targets by March 2005, but will not solve their still extraordinarily weak capital positions. The FSA is finally pressing regional and local banking institutions to reform. On request, it can inject government capital into the restructuring and merging of weak local banks and credit associations without declaring them insolvent, utilizing the reform law passed in June 2004 that makes available an additional ¥2 trillion (\$18 billion) in government capital.

Even under very optimistic scenarios of rising bank lending rates, widening interest rate spreads, and increasing profitability, it would take many years for retained earnings to provide sufficient bank capital to make the system truly effective and competitive. One retrograde step would be for banks to use profits first to redeem their government capital (mostly convertible preferred shares) injected earlier, though that was the original expectation. Instead, this capital should be kept in the banks by having the government sell its shares in the market rather than back to the banks; the government would accrue capital gains in reward for the investment risks it has undertaken.

One concern is that bank lending continues to decrease, despite some increases in housing mortgages substituting for reduced government housing lending. Since 1998, bank loans have declined absolutely by almost ¥150 trillion: at the end of March 2004 they were ¥367.8 trillion, a sharp decline to only 73.4 percent of GDP. These trends reflect weak business loan demand, a persistent (though decreasing) unwillingness to take credit risk even at higher lending rates due to bank capital inadequacies, and bank management slowness in changing its business model. It is generally perceived that the economy will not achieve sustained growth in the medium term until bank lending increases once again. Large companies have gradually

Capital should be kept in the banks by having the government sell its shares in the market rather than back to the banks.

Policymaking continues to be piecemeal and incremental rather than comprehensive and coordinated.

been substituting commercial paper and bond issue for bank loans for almost two decades. This will become considerably more important in the longer run. Banks are still grappling with the problems of finding, evaluating, and developing business with good customers to replace those lost to the capital market.

Life insurance companies, weakened by the ongoing negative yield spread on policies, received a major reprieve this past year through the increased value of their holdings of shares. Otherwise, perhaps one or two more of them would have been forced into bankruptcy or made to reduce their promised yields to policyholders, as is now allowed. So long as market interest rates remain low and yield spreads negative, industry weakness will persist.

GOVERNMENT ECONOMIC POLICY

The Liberal Democratic Party, led by Prime Minister Junichiro Koizumi, lost only one seat in the July Upper House election and maintains control of the Diet through its continuing coalition with the New Komeito Party. However, the LDP received fewer votes than the Democratic Party of Japan. These results imply the government's policies of gradual structural reform and deregulation will continue more or less unchanged, a view reinforced by Prime Minister Koizumi's unsurprising Cabinet changes on September 27. Policymaking continues to be piecemeal and incremental rather than comprehensive and coordinated, with occasional inconsistencies. On the whole, private-sector reforms are now being left to firms and markets; the government's focus is mainly on the reform process for government institutions, central and local. The macro mix of slightly restrictive fiscal policy and very easy monetary policy will continue until deflation ends and sustainable GDP growth is reasonably assured.

A big political battle is shaping up this fall over Prime Minister Koizumi's decision to press for the privatization of the huge postal savings and life insurance system, long a top priority. The shifting of Heizo Takenaka, Koizumi's economic policy troubleshooter, from FSA Minister to head up postal reform, together with support of postal reform being a requisite for Cabinet membership, indicates how high a priority this is for the Prime Minister. The reform of the postal system—indeed of all government financial institutions, special government enterprises, and government agencies—is structural and long-run in nature, both economically and politically. So, too, are local government reforms, including redefining the respective powers and responsibilities of central and local governments. Success in these reforms is very important to enhance Japan's long-run

economic performance, but the process is too slow to have significant economic effects in the near term.

Japan's social safety nets are a mixed bag. The implementation of the five special laws passed since 1998 to enhance job training and employment have had little overall effect. The main policy focus will continue to be on assuring the long-run sustainability of public pensions and health coverage for the elderly. As my colleague David Weinstein has shown in a careful analysis, based on sensible and realistic assumptions, this long-term fiscal problem is serious but far less dire than the government's analysis. (This is one of the studies in the Center's comprehensive joint project "Solutions for the Japanese Economy," to be published next year as English and Japanese books edited by Weinstein, Takatoshi Ito of the University of Tokyo, and myself.)

The interactions among central and local governments and their respective public corporations and agencies are very important, very complex, very opaque, and of course very political. Reforms over the past few years have brought about increased disclosure, some useful objective analysis, and the first steps of what is a fundamental, long-run restructuring process. One of the silver linings of the government's huge budget deficit is that it provides a rationale for reform of these government institutions in order to reduce inefficiencies, redundancies, and sheer waste and thereby to cut expenditures.

*Japan now has
a mature, affluent
economy of
well-educated
citizens.*

THE TRANSFORMATION PROCESS PROCEEDS

As stressed in my previous Center Annual Report essays, the Japanese economy is in the midst of a fundamental transformation taking two to three decades, upon which have been superimposed the bursting of the great real estate and stock market bubbles in 1990–91 and the subpar, mediocre economic performance since then. Japan completed its rapid catch-up growth by the early 1980s and now has a mature, affluent economy of well-educated citizens. Given its underutilized labor and other resources, the wide sectoral productivity gaps, and efficiency gains from comprehensive and sustained restructuring, Japan's annual growth potential over the next five years or so is on the order of 3–4 percent. Then, once full employment is reached, the potential growth rate will be no more than 2 percent, and probably less; it will depend heavily on productivity gains because labor inputs will decrease and additional capital per worker will make only a modest contribution. No high-income, advanced industrial economy has averaged more than 2 percent growth per capita over ten-year periods.

The strengths of the three major economic institutional pillars of Japan's big business, postwar rapid growth era became weaknesses.

Like comparable European nations, Japan is well along in its long-run demographic transition to very low births and deaths, an aging society, and now absolute declines in the working force age group. Population is now expected to peak at 127.7 million in 2006. A reasonable long-run expectation (prediction is too strong a term) is that at a point some decades hence, as the country becomes ever-more wealthy with per capita incomes growing at 1–2 percent annually, Japanese will decide they can afford and enjoy having two or three children rather than one or two, and population levels will stabilize. Or, more controversially, immigration will become substantial, and Japan will become much more ethnically heterogeneous.

The economic structure continues its inevitable shifts in response to the growth of incomes and demand and to changes in competitiveness. Agriculture is economically unimportant but still has the political power to maintain high protection and subsidies. As in other high-income countries, the share of manufacturing is declining, particularly in now inefficient labor-intensive goods, but technologically sophisticated products, based mainly on substantial business R&D, continue to increase. Most growth will continue to be in a wide range of business and personal services, notably IT and health care for the elderly.

With this transforming economic environment and amid increasing competitive market pressures, economic institutions and arrangements are inevitably changing. The strengths of the three major economic institutional pillars of Japan's big business, postwar rapid growth era—the permanent employment system of industrial relations, the main bank system of corporate finance, and the entrenched management system based on separation of shareholder ownership and management control—became weaknesses once the economy matured to modest growth. They lacked the flexibility to carry through quickly and efficiently the major reallocations of resources made even more necessary by poor economic performance and a changing global competitive environment. Moreover, in most respects the postwar system was opaque; when scandals erupted in the 1990s, the public lost confidence and trust in business leaders and government officials. While weakened, these three institutions are evolving but by no means disappearing. Nonetheless, Japan's system of relational capitalism is evolving toward more market-based capitalism.

The essence of the permanent employment system has been management's overwhelming commitment to guaranteeing regular employees a job until retirement at age 60 and to seniority as a major element determining promotions and wage increases. These

commitments were credible when the economy and companies were growing rapidly, but are considerably less so now. The employment commitment now may mean likely transfer later in one's career to a subsidiary or affiliated company. When firms do have to reduce their labor force, in all but extreme cases they provide an expensive "early retirement" buy-out package. Merit (performance) is becoming increasingly important in the determination of wages and promotions. Despite increased emphasis on shareholder interests, management's prime commitment remains to its regular employees. Nonetheless, managers are increasingly concerned with achieving good performance in order to keep their company's share price up as it becomes more of a determinant of their and the company's general reputation. Replacing regular full-time with part-time or temporary workers provides management with a useful buffer.

Banks became prisoners of their major delinquent borrowers.

By the 1980s the main banks were already reducing their independent monitoring capabilities for their large borrowers and came to trust them too much. Relationships, and real estate as collateral, substituted for careful credit analysis. From the early 1990s, the main banks have been overwhelmed by the sheer magnitude of the non-performing loans (NPLs) of their weak, large corporate borrowers, too large and costly for banks to carry out rescue and restructuring responsibilities except in a slow, serial process that only now is beginning to be completed. Banks became prisoners of their major delinquent borrowers; they could not absorb quickly the NPL losses resulting from termination of relationships. The previously huge capital positions of banks, based on unrealized capital gains, evaporated as stock prices declined dramatically and banks realized gains to offset NPL provisioning. While capital markets have improved significantly, they have not yet adequately taken over the corporate monitoring functions. Weakened though it is, the main bank system will persist, especially for a smaller number of good, core clients (especially those in the same keiretsu), and as well as for middle-sized and smaller companies that have few alternatives to bank finance.

CHANGES IN CORPORATE GOVERNANCE

The essence of the Japanese big business management system is the combination of the separation of ownership and control (as in the United States); a self-perpetuating, entrenched management overwhelmingly promoted from within to CEO, top management, and corporate board positions; and a stronger commitment to regular employees, especially those on the management track, than to shareholders. In the early postwar period, managers succeeded in having

Japan's system of corporate governance has been changing significantly.

a majority of their company's shares held, each in relatively small amounts, by a large number of other friendly companies—banks, insurance companies, suppliers, customers. The extreme subset of this stable shareholding is cross-shareholding between two companies, typically between banks and their large, industrial clients.

The implicit agreement of these tacit alliances—exemplified at the extreme by the horizontal business groups (*keiretsu*)—was non-interference by one company's management in the management of the other company and an understanding that shares would not be sold without the agreement of the issuer, and then typically through private placement rather than the open market. In this way, by the early 1960s, company management had made itself immune to the threat of hostile takeover bids. This was an opaque system that effectively interacted with the main bank system and the permanent employment system.

This cozy management system has been under attack in recent years due to the poor economic performance of many firms, a variety of well-publicized corporate scandals, and a global focus on improving corporate governance. Formally, at least, Japan's system of corporate governance has been changing significantly. In practice, most changes so far have been led by the government—changes in the rules of how the game is to be played, with firms and markets gradually adjusting. These include legal and institutional changes enhancing firm flexibility—stock options, M&A rules, holding companies, and share buybacks—and changes that enhance external monitoring—mark-to-market, tougher accounting and auditing rules, stockholder derivative suits, and capital market liberalization. Outside auditors, now facing the possibility of shareholder suits if they certify misleading financial statements, have suddenly become potentially important corporate governance players, as the Resona Bank case in spring 2003 demonstrated.

One of the most interesting legal changes allows companies, since 2003, the choice of whether to continue their traditional board system of inside directors and statutory auditors (now with stronger functions and greater responsibilities) or to adopt what has been termed the U.S.-style board committee system with a significant role for outside directors. Colleagues Curtis Milhaupt and Ronald Gilson have analyzed the 71 firms, 45 of which are listed, that adopted the board committee system in summer 2003, its first year. Of the total, more than half (36) were Hitachi and some 21 of its subsidiaries, of which 18 are listed, plus Nomura Holdings and 13 of its wholly owned subsidiaries. “Outside” directors elected to their boards were

from the parent company. In contrast, a majority of the outside directors for the remaining 35 firms were drawn from unaffiliated firms or were lawyers and so are apparently more independent. At only 19 firms were outside directors half or more of the board.

The companies were classified into the following types: global market players such as Sony; firms with large foreign institutional shareholders such as Columbia Music Entertainment and Orix; distressed firms such as Resona Holdings and Manulife; and foreign-controlled firms such as Vodaphone and Seiyu. In contrast, no core firms in bank-centered *keiretsu* have shifted to the committee-based system. All the board committee companies are required to have at least two outside directors, and many have more than that. In contrast, only 630 of 2,108 publicly traded companies surveyed in summer 2004 have any outside directors, and about half of those have just one; nonetheless, this does represent a 28 percent increase over a year ago. The Japanese definition of outside directors is weak, so the difference between outside directors and independent directors (defined in U.S. law but not Japanese law) is even greater. In practice, achieving a system of truly independent directors is a problem in all countries.

Achieving a system of truly independent directors is a problem.

Only 11 more companies have, as of August 2004, decided to adopt the board committee system. While it increases diversity in corporate governance arrangements, the board committee system is unlikely to become a major feature of Japanese corporate governance. Nonetheless, the discussion about boards and the roles of directors appears to be affecting management attitudes and board structures in a far larger number of firms, as the increase in firms with outside directors attests.

The restructuring of large, troubled companies brings to the fore a range of management and corporate governance issues and provides insights on how they are being handled. The authorities have required that restructured firms such as Resona and Kanebo adopt board committees. When DaimlerChrysler refused to maintain its controlling share of scandal-ridden Mitsubishi Motors Company by providing an additional required \$4 billion in capital, Mitsubishi group companies rallied around to provide the funding, albeit raising shareholder concerns in some of the companies. As noted, the hostile competition for UJF Bank is unprecedented. It appears that Daiei will be taken over by outside investors; its management has resisted its banks taking the company to the Industrial Revitalization Corporation of Japan (IRCJ). The restructuring of other large, deeply troubled UFJ borrowers such as Daikyo, Sojitz, Misawa, and Towa

Real Estate will provide further evidence both of the restructuring process and how corporate governance is being handled.

Another significant change that enhances the governance role of capital markets has been in stock ownership: bank and life insurance company sales of their holdings of corporate shares and the rising share of foreign ownership. The Nippon Life Insurance Research Institute estimates that at the end of March 1991 stable shareholding comprised 45.6 percent of all listed company shares; by March 2004 it was down to 24.3 percent. Cross shareholding, 18.1 percent in 1991, declined to 7.6 percent in 2004. On the other hand, foreign shareholding, 4.7 percent in 1991, increased to 17.7 percent by March 2003, and to 21.8 percent by March 2004. Nonetheless, many shares remain held by stable shareholders, especially those of larger keiretsu-member companies. Interestingly, there does not appear to have been any significant decline in corporate holding of bank shares. Corporate holdings have actually risen in each other, which may reflect parent company purchases of the shares of their subsidiaries being sold by banks and insurance companies.

Foreign investors are primarily driven by expectations of share price increases, not the development of relationships.

Foreign Portfolio Investment

There is no single pattern of foreign institutional portfolio investment in Japanese stocks. Global funds hold a representative portfolio of investment-grade Japanese companies; their important decision is whether to underweight, overweight, or hold a neutral position relative to other countries. Some Japanese companies with good performance, good corporate governance, and activist investor-relation programs have more than 30 percent of their shares held by foreigners. A number of foreign funds focus on Japan, and a few funds have been established explicitly to enhance corporate governance. Foreign investors, of course, are primarily driven by expectations of share price increases, not the development of relationships. The sharp increase in foreign holdings of the shares of major banks from 10.0 percent at March-end 2003 to 22.6 percent at March-end 2004 was due more to the Resona Bank case signal that shareholders of major banks would probably not be harmed by any government-funded restructurings and to the subsequent soaring of bank share prices, than to substantial improvement in bank performance or governance.

A quite different foreign investment target has been the many smaller listed companies whose market capitalization has been substantially below their holdings of cash and liquid securities. They have been the target of hostile takeover activities, epitomized

by the case of Steel Partners and its bid for Sotoh Corporation. While the bid failed, management was forced to make a major dividend payout, and the share price rose sharply. This triggered higher dividend payments and share price rises for a number of other small, cash-rich, listed companies. While these have been important first steps, they seem more reminiscent of earlier greenmail attempts in Japan rather than engendering a significant improvement in Sotoh's corporate governance. Sotoh and similar companies may now have fewer excess financial assets, but management remains entrenched and probably its operating behavior has not changed significantly.

Kanebo is the most significant company brought to the IRCJ.

The Kanebo Case

The roles of both the market and the government in enhancing corporate governance are important in the complex problems of restructuring major firms in difficulty. In some respects, the last-minute cancellation this spring of ailing Kanebo's sale of its cosmetics business to Kao is prototypical. Kanebo had a traditional management, negative equity, a huge debt (some ¥513.6 billion of nonperforming loans), and many unprofitable divisions being internally subsidized by the profitable cosmetics division. Kao is successful: profit-oriented and profitable, sensitive to financial market signals, with an effective management. One predecessor of the merged Sumitomo Mitsui Banking Corporation (SMBC) had been the main bank for Kanebo, another the main bank for Kao. SMBC proposed Kanebo sell its cosmetics division to Kao, which made good business sense and would enable Kanebo to pay off ¥400 billion of its nonperforming loans from the bank. The reason given by Kanebo for the cancellation of the sale was the opposition of its militant union. Certainly the union was not happy about the proposed sale, and on these issues workers have considerable power. However, I have the impression that many senior managers also opposed the sale, fearing they would lose their jobs.

SMBC then took Kanebo to the IRCJ. IRCJ took an even tougher position, providing less funding, forcing senior management out without retirement bonuses, and appointing one of its executive officers as Chief Restructuring Officer. Kanebo is by far the largest and most significant company brought to the IRCJ, which previously has had only a few, relatively unimportant cases. How the Kanebo restructuring works out remains to be seen. This case does provide insights into the behavior of major players: the main bank, top management, the union, and the government. Not surprisingly, shareholders took a 99.7 percent equity reduction.

Moral Hazard

The moral hazards of the Japanese corporate governance system lie in lack of oversight, not in extravagant compensation of top management or in an excessive focus on the short run. And, in isolated cases, while American managers may steal *from* the company, Japanese managers steal *for* the company. One form of moral hazard is that middle management expends considerable effort to protect the CEOs and senior management from exposure of company mistakes or personal scandal; opaqueness has its costs, as sokaiya blackmail earlier demonstrated.

While American managers may steal from the company, Japanese managers steal for the company.

There are two more important moral hazards. First, management has had a proclivity to invest surplus cash in new projects seemingly regardless of profitability. At the macro level, Japan's ratio of business investment to GDP is too high. At the micro level, the return on company assets is too low by international comparisons of returns to investors and to savers. This is particularly true of companies that earlier promoted diversification at the expense of focus, as the problems of some large electronics companies have demonstrated. Companies gave greater priority to sales growth and market share than to the profitability of investment.

Another form of moral hazard is that managers of Japanese firms in serious difficulty have delayed restructuring far too long, thereby significantly eroding the value of the company, its future, and the prospects for both current and potential future employees. Some say that using surplus funds for diversification, or holding large amounts of cash, or delaying restructuring, were not due to the bad behavior of management, but to mistaken optimistic assumptions about the future. Whether well intentioned or designed to maintain management power, those decisions have been very costly for those firms and all their stakeholders.

Appraisal

An important corporate governance debate is under way in Japan. A few major business leaders seek a more U.S.-style, market-based system geared to the long-term interests of stockholders, while criticizing U.S. short-run orientation and incentives. Most business leaders, however, seek to improve the existing Japanese system through greater disclosure and transparency and an outside director or two or an outside advisory committee.

One key issue persists: is the company's primary commitment to its employees or to its shareholders? Management support of employees, of course, is to a substantial degree support of itself and those

in the management hierarchy, beginning when college graduates enter the company. So far as I can tell, this mind-set of most Japanese managers has not fundamentally changed.

While Japan's management system and system of corporate governance are still evolving, my understanding is the following. First, Japanese managers have relearned the early postwar lesson that profitability is important in order to obtain finance and to keep all stakeholders reasonably happy. This is not a commitment to profit maximization, but it does mean that the weight assigned to shareholder interests will increase, even though the greater weight for regular employees will probably persist. It also means sales growth and market share will be less important as objectives in their own right.

Only a small number of firms will adopt the U.S.-style board committee system.

Second, while most companies will come to have an outside director or two, they will not dominate, and only a small number of firms will adopt the U.S.-style board committee system. Firms will place primary emphasis on internal governance reforms, stressing ethical behavior and more effective internal communications, controls, and processes.

Third, capital market institutions, instruments, and prices have finally come to play a corporate monitoring role, but they have a long way to go before they are a major factor. A market for corporate control will emerge, and, when it does, it will have a significant impact. However, rather than a plethora of hostile takeover bids, I anticipate that concerned parties will negotiate arrangements to improve company performance and governance. It will be important to separate out cases of greenmail from those resulting in improved corporate governance.

Fourth, a hybrid set of corporate governance objectives, institutions, and practices will evolve out of the postwar system, with greater heterogeneity among firms, but few approaching the Anglo-American model.

In Japan, good corporate governance often seems simply to mean good corporate profitability performance. To the extent that industries and firms are facing an increasingly competitive environment, market pressures to improve performance are likely to be linked with measures to improve governance. While there is no proof that good corporate governance causes good corporate performance, companies that have superior performance as measured by return on assets, equity, and stock and by employment creation do score well on the nascent Japanese Corporate Governance Index. This suggests that corporate governance is one element of a business strategy pack-

age that generates superior performance or at least is an outcome of such a package.

CONCLUDING COMMENTS

Japan's economic performance is certainly good this year, considerably beyond expectations. The key question is whether this momentum, while diminishing, will be sufficient to put the economy onto a self-sustaining growth path, first to utilize unemployed and underemployed labor and other resources and then to achieve Japan's long-term potential growth rate. Despite my optimistic nature, I remain cautious.

So long as Japan's economic malaise since 1991 has meant foregone growth rather than widespread declines in living standards, the country has preferred to avoid disruptive rapid change. Perhaps if there had been deeper concerns in the past, there would have been less forbearance and delay in government and business policy making and implementation, and there would be a better case for optimism now. Despite that, to term the 1990s (or longer) as the "lost decade" is a misnomer; while mostly below the radar screen, Japan's institutions, ways of thinking, and behavior have quietly been changing dramatically. Japan in 2004 in many respects is very different from Japan in 1990. Nonetheless, much remains to be done, and periodic renewals of complacency are a serious inhibiting factor.

Until I have a better sense of whether real GDP growth in 2005 will be closer to 3 percent or 1 percent and some sense of what is likely to happen thereafter, I deem it premature to judge whether this year's economic progress will maintain sufficient momentum to put Japan back on the path of sustained, full-employment recovery and growth. Let's wait for another six months or a year to decide.

Hugh Patrick

Director, Center on Japanese Economy and Business

Columbia Business School

October 12, 2004

研究者陣營

THE RESEARCH COMMUNITY

THE RESEARCH COMMUNITY

DIRECTOR



Hugh Patrick is director of the Center on Japanese Economy and Business at Columbia Business School, codirector of Columbia's APEC Study Center, and R. D. Calkins Professor of International Business Emeritus at Columbia University. He joined the Columbia faculty in 1984 after some years as professor of economics and director of the

Economic Growth Center at Yale University. He completed his B.A. at Yale University in 1951, earned M.A. degrees in Japanese studies (1955) and economics (1957), and the Ph.D. in economics at the University of Michigan in 1960. He has been a visiting professor at Hitotsubashi University, University of Tokyo, and University of Bombay.

Professor Patrick has been awarded Guggenheim and Fulbright Fellowships and the Ohira Prize. His professional publications include fifteen books and some sixty articles and essays. His major fields of published research on Japan include macroeconomic performance and policy, banking and financial markets, government-business relations, and Japan-U.S. economic relations. Representative publications include *Crisis and Change in the Japanese Financial System* (with Takeo Hoshi); *The Japanese Main Bank System* (with Masahiko Aoki); *The Financial Development of Japan, Korea and Taiwan* (with Yung Chul Park); *Pacific Basin Industries in Distress: Structural Adjustment and Trade Policy in Nine Industrialized Economies*; *Regulating International Financial Markets: Policies and Issues* (with Franklin Edwards); *Japan's High Technology Industries: Lessons and Limitations of Industrial Policy*; and *Asia's New Giant—How the Japanese Economy Works* (with Henry Rosovsky).

Patrick is actively involved in professional and public service. He served as one of the four American members of the binational Japan–United States Economic Relations Group appointed by President Carter and Prime Minister Ohira, 1979–81. He has testified before Congressional committees on numerous occasions. He is a member of the U.S. National Committee for Pacific Economic Cooperation and its Board of Directors. He is a member of the board of the recently established Asian Pacific Council. In 1985 he succeeded Dr. Saburo Okita as chairman of the International Steering

Committee for the conference series on Pacific Trade and Development (PAFTAD), having served on it since PAFTAD's inauguration in 1968. He was on the board of the Social Science Research Council, 1982–88, and served as its chairman, 1985–88. He served as a member of the Board of Directors of the Japan Society for seven three-year terms. He is a member of the Council on Foreign Relations. In November 1994, the Government of Japan awarded him the Order of the Sacred Treasure, Gold and Silver Star (Kunitō Zuihōshō). He was awarded an honorary doctorate of Social Sciences by Lingnan University, Hong Kong, in 2000.

ASSOCIATE DIRECTOR FOR RESEARCH



David Weinstein is Carl S. Shoup Professor of the Japanese Economy in the Department of Economics at Columbia, vice chair of the Department of Economics, the associate director of research at the Center for Japanese Economy and Business, research associate and director of the Japan Project at the National Bureau of Economic Research, and a member

of the Council on Foreign Relations. Previously, Professor Weinstein was a senior economist at the Federal Reserve Bank of New York and the Sanford R. Robertson Associate Professor of Business Administration at the School of Business Administration, University of Michigan, as well as an associate professor of economics at Harvard University. He also served on the Council of Economic Advisors from 1989 to 1990. His teaching and research interests include corporate finance, international trade, the Japanese economy, and industrial policy. Professor Weinstein earned his Ph.D. and M.A. in economics from the University of Michigan and his B.A. at Yale University. He is the recipient of numerous grants and awards, including two National Science Foundation grants, an Abe Fellowship, and a Japan Foundation Fellowship.

Professor Weinstein is the author of numerous publications and articles. His recent publications include “Bones, Bombs, and Break Points: The Geography of Economic Activity,” *American Economic Review*; “Market Access, Economic Geography, and Comparative Advantage: An Empirical Assessment,” *Journal of International Economics*; “The Mystery of Excess (Trade) Balances,” *American Economic Review*; “International Trade as an Integrated Equilibrium: New Perspectives,” *American Economic Review*; “An Account of

Global Factor Trade,” *American Economic Review*; “Do Endowments Determine the Location of Production? Evidence from National and International Data,” *Journal of International Economics*; “Trade and Growth: Import-Led or Export-Led: Evidence from Japan and Korea,” *Rethinking the East Asian Miracle* (World Bank); “How Bad is the Japanese Crisis? Macroeconomic and Structural Perspectives,” *Japan’s New Economy: Continuity and Change in the Twenty-First Century* (Oxford); and “Main Banks, Creditor Concentration and the Resolution of Financial Distress in Japan,” *Finance, Development and Competition in Japan: Essays in Honor of Hugh Patrick* (Oxford).

ASSOCIATE DIRECTOR FOR PROGRAMS



Mark Mason is associate director for Programs and Director of the Program on Alternative Investments at the Center on Japanese Economy and Business. Dr. Mason is also an adviser to institutional investors active in hedge funds and private equity investing in Japan and is a board member of the Massachusetts International Trade Council. Previously, he was a tenured professor of International Business at Georgetown University. Dr. Mason began his academic career as a postdoctoral fellow at Harvard University, followed by appointments as assistant and then associate professor at the School of Management, Yale University. He has also held visiting research and teaching positions at the Helsinki School of Economics and Business Administration, INSEAD, and the University of Tokyo.

Dr. Mason’s current research examines the evolving strategies of Japanese institutional investors in hedge funds, private equity, and other alternative investments. In addition, he directs a series of ongoing research projects analyzing the development of Japan-focused hedge funds, buyout investments, and distressed investments. He has received numerous research grants and awards from leading institutions, including the Japan Foundation, the Mitsui Foundation, the Sloan Foundation, and the Social Science Research Council, in addition to those from Harvard and Yale Universities. Dr. Mason received his B.A. from Haverford College, his M.A. from Columbia University, and his Ph.D. from Harvard University.

Dr. Mason has also organized, directed, and moderated conferences, seminars, symposia, and research workshops on alternative investments in Japan/East Asia in comparative perspective. These

meetings have explored major issues in the alternative investments field with the participation of business, government, and academic leaders from both sides of the Pacific. In addition, he co-organized with the Pension Fund Association of Japan a major conference in Tokyo in February 2004 comparing Japanese and U.S. pension fund asset allocation strategies in hedge funds, private equity, and real estate alternatives. Dr. Mason has also edited numerous reports based on these meetings sponsored by the Program on Alternative Investments.

Dr. Mason has published widely in the field of international business. He is the author of *American Multinationals and Japan* (Harvard University Press) and *Europe and the Japanese Challenge* (Oxford University Press) and co-editor of *Does Ownership Matter?* (Oxford University Press). In addition, he has published in a range of refereed journals, including *Business History Review*, *California Management Review*, *International Organization*, *The Journal of Common Market Studies*, *The Journal of Public Policy*, and *Transnational Corporations*. He has also been widely quoted on business and economic issues in *Business Week*, *The Economist*, *The Financial Times*, *The New York Times*, *The Wall Street Journal*, and other media.

CORE FACULTY



Schon Beechler, associate professor of management and director of the Columbia Senior Executive Program, is a specialist in the management of multinational corporations and in Japanese management. She received her Ph.D. from the University of Michigan in business administration and sociology and was a member of the Management Division at Columbia Business School from 1989 until 1997, when she joined Executive Programs. She teaches in the M.B.A., Executive M.B.A., and Ph.D. programs at Columbia Business School and is a core faculty member in Executive Programs.

In addition to her Executive Education work and teaching, she is an active researcher. Her most recent projects include “Management of Transnational Firms in Southeast Asia and Organizational Competitiveness: Exploring the Roles of Human Resource Management and Organization Culture in MNCs.” Professor Beechler lived in Japan for over six years and held a visiting associate professor position in 1998 at the Center for Innovation Research in

Hitotsubashi University, where she conducted research on the management of multinational corporations. She has published a number of articles on her research that have appeared in leading academic journals, including “A Typology of International Human Resource Management in Japanese MNCs: Organizational Implications” (with Allan Bird and Sully Taylor), published in *Human Resource Management*, and “Toward an Integrative Model of Strategic International Human Resource Management” (with Sully Taylor and Nancy Napier), published in the *Academy of Management Review*.

In addition to academic journal publications, her research has been published in book chapters and practitioner-oriented journals. She recently published an article in *Prism*, titled “The Role of ‘The Human Organization’ in the Success of Japanese and American Affiliates Overseas” and, in collaboration with Bird and Taylor, a chapter entitled “Organizational Learning in Japanese MNCs: Four Affiliate Archetypes” in *Multinational Corporate Evolution and Subsidiary Development* by Birkenshaw & Hood (eds.).



Lee Branstetter is the Daniel W. Stanton Associate Professor of Business and director of the International Business Program at Columbia Business School. He returns to the Business School this fall after having spent the 2003–2004 academic year on leave in Japan with an Abe Fellowship. Professor Branstetter joined Columbia Business School’s Finance and

Economics Division in July 2001. Prior to this appointment, he was an assistant professor of economics and director of the East Asian Studies Program at the University of California, Davis. He received his Ph.D. in economics from Harvard University in 1996 and his B.A. from Northwestern University in 1991. Professor Branstetter is a faculty research fellow at the National Bureau of Economic Research. He specializes in the Japanese economy and conducts research in the fields of international economics and industrial organization, with a focus on the economic analysis of technological innovation. His recent research projects have examined Japanese foreign direct investment, trade policy in China, international technology diffusion in Asia, and the impact of changes in technology promotion policy in the United States and Japan. Professor Branstetter’s recent publications include “Do Stronger Patents Induce More Innovation? Evidence from the 1988 Japanese Patent Law Reforms,” *RAND Journal of Economics* (vol. 32, no. 1, Spring 2001), with

Mariko Sakakibara; “When Do Research Consortia Work Well and Why? Evidence from Japanese Panel Data,” *American Economic Review* (vol. 92, no. 1, March 2002), with Mariko Sakakibara; and “Trade and Foreign Direct Investment in China: A Political Economy Approach,” *Journal of International Economics* (vol. 58, no. 2, December 2002), with Robert Feenstra.



Gerald L. Curtis is Burgess Professor of Political Science and former director of the East Asian Institute at Columbia University. He is director of the Toyota Research Program at the Weatherhead East Asian Institute. He teaches courses on comparative political parties, democratic transitions in East Asia, East Asian international relations, U.S. foreign policy in East Asia, Japanese politics and foreign policy, and Japanese institutional change. Professor Curtis has written extensively about Japanese politics, government, and foreign policy. His books include *Election Campaigning Japanese Style* (published in Japan as *Daigishi No Tanjo*); *The Japanese Way of Politics* (winner of the Masayoshi Ohira Memorial Prize in 1989 and published in Japan as *Nihongata Seiji no Honshitsu*); *Nihon No Seiji O Doo Miru Ka* (Comparative Perspectives on Japanese Politics), based on the 1996 series of twelve half-hour lecture programs he produced and narrated for NHK television); and *The Logic of Japanese Politics (Nagata-cho Seiji No Koubou)*. Professor Curtis has also written extensively on policy issues regarding Japan, U.S.-Japan relations, and international relations in East Asia. He is a regular columnist for the *Chunichi* and *Tokyo Shimbun*, a regular contributor to other newspapers and intellectual journals, and a frequent commentator on Japanese politics and East Asian international relations in the United States, Japan, and other countries. In October 2002 Professor Curtis was awarded the prestigious Japan Foundation Award in recognition of his scholarly work and his major contributions to foster cultural exchange between Japan and the rest of the world. Professor Curtis is a member of the Trilateral Commission, the Council on Foreign Relations, the Board of Directors of the U.S.-Japan Foundation, and the Japan Center for International Exchange (USA) and is visiting professor at the Graduate Research Institute for Policy Studies in Tokyo. He has served on the Board of Advisors of the Center for Global Partnership and was research fellow at the Royal Institute of International Affairs

in London; visiting professor at the College de France, Keio University, and the University of Tokyo; and faculty fellow at Japan's Research Institute of Economy, Trade, and Industry. He is adviser and consultant to numerous public and private organizations in the United States and Japan.



R. Glenn Hubbard was named dean of Columbia Business School on July 1, 2004. A Columbia faculty member since 1988, he is also the Russell L. Carson Professor of Finance and Economics. As a faculty member at Columbia University's Graduate School of Arts and Sciences, he is professor of economics. Prior to becoming dean, he was the codirector of Columbia Business School's Entrepreneurship Program. Professor Hubbard received his B.A. and B.S. degrees *summa cum laude* from the University of Central Florida, where he received the National Society of Professional Engineers Award. He holds A.M. and Ph.D. degrees in economics from Harvard University, where he received fellowships from the National Science Foundation and the Alfred P. Sloan Foundation. He has been a visiting professor at Harvard's Kennedy School of Government and Harvard Business School as well as the University of Chicago. Professor Hubbard also held the John M. Olin Fellowship at the National Bureau of Economic Research, at which he remains affiliated with research programs in monetary economics, public economics, corporate finance, and industrial organization. Additionally, he is a visiting scholar at the American Enterprise Institute in Washington and a member of the International Advisory Board of the M.B.A. Program of Ben-Gurion University.

After graduating from Harvard, Professor Hubbard began his teaching career at Northwestern University. He moved to Columbia in 1988 and served as senior vice dean of the Business School from 1994 to 1997 and codirector of the Entrepreneurship Program from 1998 to 2004. His research spans tax policy, monetary economics, corporate finance, and international finance. In addition to writing more than 90 scholarly articles in economics and finance, Professor Hubbard is the author of a leading textbook on money and financial markets. His commentaries have appeared in *Business Week*, *The Wall Street Journal*, *The New York Times*, *The Financial Times*, *The Washington Post*, *Nikkei*, and the *Daily Yomiuri*, as well as on television (PBS's *Nightly Business Report*) and radio (NPR's *Marketplace*).

In government, Professor Hubbard served earlier as deputy assistant secretary for tax policy of the U.S. Treasury Department from 1991 to 1993. He supervised administration efforts on revenue estimates, tax reform, and health policy from February 2001 until March 2003 when he returned to Columbia. He was chairman of the U.S. Council of Economic Advisers under President George W. Bush. His responsibilities included advising the president on economic policy, tax and budget policy, emerging market financial issues, international finance, health care, and environmental policy. He also had major responsibility in overseeing the ongoing U.S. government dialogue with senior Japanese officials on Japan's macroeconomic policy and banking and financial system issues. While serving as CEA chairman, he also chaired the Economic Policy Committee of the OECD. Professor Hubbard also served on the advisory boards of several organizations, including the Congressional Budget Office, the Council on Competitiveness, the American Council on Capital Formation, the Tax Foundation and the Center for Addiction and Substance Abuse. He is a trustee of the Fifth Avenue Presbyterian Church of New York and a member of the Big Apple District Committee of the Boy Scouts of America.



Merit E. Janow is professor in the Practice of International Economic Law and International Affairs at Columbia University's School of International and Public Affairs (SIPA). She is also director of the International Economic Policy concentration at SIPA and codirector of Columbia's APEC Study Center, and she serves on the faculty of Columbia's Weatherhead East

Asian Institute. Professor Janow teaches graduate courses in international economic and trade policy at SIPA and international trade law and comparative and international antitrust at Columbia Law School. In December 2003, Professor Janow was elected to the WTO Appellate Body for a four-year term. For two years, ending in March 2000, Professor Janow served as executive director of a new International Competition Policy Advisory Committee to the attorney general and assistant attorney general for antitrust at the Department of Justice, Washington, D.C. This was the first such committee established by the Department of Justice to consider international antitrust matters. Before joining Columbia University, Professor Janow served as a deputy assistant U.S. trade representative for Japan and China at the Office of the

U.S. Trade Representative, Executive Office of the President, in Washington, D.C. Prior to her tenure in government, she was an associate at Skadden, Arps, Slate, Meagher & Flom, specializing in corporate mergers and acquisitions. She is the author of numerous articles on international business issues and is a frequent speaker on international trade, antitrust, and economic issues. Professor Janow received a B.A. in Asian studies from the University of Michigan and a J.D. from Columbia Law School.



Curtis J. Milhaupt is the Fuyo Professor of Law, director of the Center for Japanese Legal Studies, and chair of the Transactional Studies Program at Columbia Law School. His research interests include comparative corporate governance, Japanese law, and law and capitalism. He is the author of numerous articles on comparative corporate governance, as well as a

wide range of Japanese law topics, from organized crime to deposit insurance. He has co-authored or edited three books: *Economic Organizations and Corporate Governance in Japan: The Impact of Formal and Informal Rules* (Oxford University Press, 2004); *Global Markets, Domestic Institutions: Corporate Law and Governance in a New Era of Cross-Border Deals* (Columbia University Press, 2003); and a textbook entitled *Japanese Law in Context: Readings in Society, the Economy, and Politics* (Harvard University Press, Asia Center, 2001).

Professor Milhaupt has been affiliated with a number of think tanks and universities in Asia, including most recently the Research Institute of Economy, Trade and Industry in Tokyo and the Bank of Japan's Institute for Monetary and Economic Studies. From 2000–2002 he was project director for a major comparative corporate governance project sponsored by the Center for International Political Economy. He served from 1997–2000 as a member of an international project team charged with creating an “institutional blueprint” for a unified Korean peninsula, drawing on lessons from German unification. Prior to entering academia, he practiced corporate law in the New York and Tokyo offices of a major law firm. He holds a J.D. from Columbia Law School, where he was an editor of the *Columbia Law Review*, and a B.A. with high honors in government and international studies from the University of Notre Dame.



Joseph E. Stiglitz was born in Gary, Indiana, in 1943. A graduate of Amherst College, he received his Ph.D. from MIT in 1967, became a full professor at Yale in 1970, and in 1979 was awarded the John Bates Clark Award, given biennially by the American Economic Association to the economist under forty who has made the most significant contribution to

the field. He has taught at Princeton, Stanford, and MIT and was the Drummond Professor and a fellow of All Souls College, Oxford. He is now University Professor at Columbia University. In 2001, he was awarded the Nobel Prize in Economics.

He was a member of the Council of Economic Advisors from 1993–95, during the Clinton administration, and served as CEA chairman from 1995–97. He then became chief economist and senior vice-president of the World Bank from 1997–2000.

Professor Stiglitz helped create a new branch of economics, the economics of information, exploring the consequences of information asymmetries and pioneering such pivotal concepts as adverse selection and moral hazard, which have now become standard tools not only of theorists, but of policy analysts. He has made major contributions to macroeconomics and monetary theory, to development economics and trade theory, to public and corporate finance, to the theories of industrial organization and rural organization, and to the theories of welfare economics and of income and wealth distribution. In the 1980s, he helped revive interest in the economics of R&D.

His work has helped explain the circumstances in which markets do not work well and how selective government intervention can improve their performance. Recognized around the world as a leading economics educator, he has written textbooks that have been translated into more than a dozen languages. He founded one of the leading economics journals, *The Journal of Economic Perspectives*. He has recently come out with a new book, *The Roaring Nineties* (W. W. Norton). His book *Globalization and Its Discontents* (W. W. Norton, June 2001) has been translated into 20 languages and is an international bestseller.

Professor Stiglitz lectures extensively and participates in various conferences and policy discussions in Japan. In 2003, he was awarded an honorary doctorate by Doshisha University.

RESEARCH ASSOCIATES

Christina Ahmadjian

Professor

Graduate School of International and Corporate Strategy
Hitotsubashi University

Masahiko Aoki

Henri and Tomoye Takahashi Professor of Japanese Studies, Emeritus

Department of Economics
Stanford University

Jenny Corbett

Professor of Japanese Studies

Australia-Japan Research Centre
The Australian National University

Robert Dekle

Professor of Economics

University of Southern California

Peter Drysdale

Professor of Economics Emeritus

Asia-Pacific School of Economics and Government
The Australian National University

David Flath

Professor of Economics

North Carolina State University

Koichi Hamada

Professor of Economics

Economic Growth Center
Yale University

Yasushi Hamao

Associate Professor

Marshall School of Business
University of Southern California

Masanori Hashimoto

Professor of Economics

Ohio State University

Takeo Hoshi

Pacific Economic Cooperation Chair in International Economic Relations

Graduate School of International Relations and Pacific Studies

University of California, San Diego

Takatoshi Ito

Professor

Department of Economics

University of Tokyo

Takao Kato

Professor of Economics and Presidential Scholar

Colgate University

Patricia Kuwayama

Vice President

JP Morgan Chase, New York

Edward Lincoln

Senior Fellow

Council on Foreign Relations

Robert Myers

Vice President

Fairfield Resources International

Terutomo Ozawa

Professor of Economics

Colorado State University

Adam Posen

Senior Fellow

Institute for International Economics

William V. Rapp

Henry J. Leir Professor of International Trade and Business

New Jersey Institute of Technology

Frances McCall Rosenbluth

Professor of Political Science

Yale University

Gary Saxonhouse

Professor of Economics

University of Michigan

Ulrike Schaede

Associate Professor

Graduate School of International Relations and Pacific Studies
University of California, San Diego

Michael Smitka

Professor of Economics

Williams School of Commerce
Washington and Lee University

Hong Tan

Senior Economist

The World Bank

Eleanor Westney

Professor of Management

Sloan School of Management
Massachusetts Institute of Technology

Michael Yoshino

Herman C. Krannert Professor Emeritus of Business Administration

Harvard University

活動内容

ACTIVITIES

ACTIVITIES

MAJOR PROJECTS

Solutions for the Japanese Economy

The Center is near completion of a two-year major research project, “Solutions for the Japanese Economy,” involving 15 Japanese and American economists and organized by Professors Hugh Patrick and David Weinstein at Columbia, Takatoshi Ito and Mariko Fujii of the University of Tokyo, and Tokuo Iwaisako of Hitotsubashi University. In June 2004 the major findings were presented in Tokyo at a two-day academic conference, followed the next day by a public policy-oriented conference. The project has involved economists from the fields of Japanese monetary and fiscal policy, its financial system, capital markets, labor markets, business investment, corporate restructuring, and international trade policy. The project’s objective is to have a substantial impact on the ongoing economic policy debate in Japan.

A volume consisting of these eleven chapters will be published in English by MIT Press and in Japanese by Nikkei, in early 2005:

- Chapter 1 Solutions for the Japanese Economy: An Overview**
Takatoshi Ito (University of Tokyo) and Hugh Patrick (Columbia University)
- Chapter 2 Happy News from the Dismal Science: Reassessing Japanese Fiscal Policy and Sustainability**
David Weinstein (Columbia University) and Christian Broda (Federal Reserve Bank of New York)
- Chapter 3 Lost Decade in Translation: Has the U.S. Learned from Japan’s Post Bubble Mistakes?**
James Harrigan (Federal Reserve Bank of New York) and Kenneth Kuttner (Oberlin College)
- Chapter 4 Monetary Policy in Japan: Problems and Solutions**
Takatoshi Ito (University of Tokyo) and Frederic Mishkin (Columbia University)
- Chapter 5 Solutions to Japan’s Banking Problems: What Might Work and What Definitely Will Fail**
Takeo Hoshi (University of California, San Diego) and Anil K. Kashyap (University of Chicago)

-
- Chapter 6** **Government Financial Institutions: What and How to Reform**
Takero Doi (Keio University)
- Chapter 7** **Fixing Japanese Life Insurance Companies**
Mitsuhiro Fukao (Keio University)
- Chapter 8** **Corporate Investment and Restructuring**
Tokuo Iwaisako (Hitotsubashi University)
- Chapter 9** **Changing Capital Markets: The Big Bang and Remaining Issues**
Mariko Fujii (University of Tokyo)
- Chapter 10** **Issues Facing the Japanese Labor Market**
Yoshio Higuchi (Keio University) and Masanori Hashimoto (Ohio State University)
- Chapter 11** **Free Trade Agreements: A Catalyst for Japan's Economic Revitalization**
Shujiro Urata (Waseda University)

In addition to the two conferences in Japan from June 19–21, the “Solutions” project participants presented their research in a variety of fora and media in Japan and the United States, including:

“Japanese Policy Issues and Resolutions,” a conference held on June 18, 2004, hosted by the Graduate School of Public Policy of the University of Tokyo. Featured speakers were Gerald Curtis and Hugh Patrick of Columbia University, Shujiro Urata, and Takatoshi Ito.

“Japanese Monetary Policy: Experience and Future,” a conference held on June 22, 2004, hosted by the Government of Japan’s Cabinet Office’s Economic and Social Research Institute (ESRI), Japan. Participants were Takeo Hoshi, David Weinstein, Frederic Mishkin, Kenneth Kuttner, Takatoshi Ito, James Harrigan, and Anil Kashyap.

Further seminars and programs reporting the project results are being held in the United States and Japan during fall 2004.

The Program on Alternative Investments

The Program on Alternative Investments completed the first year of its formal three-year development plan in June 2004. Informally

launched by CJEB in July 2002, the program seeks to promote greater understanding of hedge funds, private equity, and other alternative investments in Japan and the broader East Asian region. The program aims to be both substantive and topical and to address the interests and bridge the worlds of the academic scholar and business practitioner.

The program initiated five research projects during the course of the academic year. The titles and principal researchers for these projects are:

“The Development of the Japanese Hedge Fund Industry,”

Ken Takasu (W. L. Ross and Co.)

“Private Equity in Japan: Buyouts,” Hiro Ishizaka (Industrial

Revitalization Corporation of Japan)

“Distressed Investing in Japan,” Hiro Ishizaka (Industrial

Revitalization Corporation of Japan)

“The Evolving Strategies of Japanese Institutional Investors in Alternative Assets,” Mark Mason and Akihiro Yamada (Ministry of Economy, Trade and Industry)

“The Regulation of Hedge Funds in Comparative Perspective,”

Professor Frank Edwards (Columbia Business School)

In response to Japanese institutional investor requests, Mark Mason published a summary article in *Nenkin Jobo* (the Japanese equivalent of the U.S. publication *Pensions and Investments*) titled “Orutanatibu toshi no nichibei hikaku” (A Comparison of Alternative Investments in the United States and Japan), March 15, 2004, pp. 34–40.

The major focus of the Program’s fundraising efforts to date has been to establish a Lead Corporate Sponsorship program with commitments from financial institutions of annual support of \$100,000 for three years. The Program is pleased to welcome Nomura Holdings and Daido Life Insurance as its first two Lead Corporate Sponsors. The Program also received financial support from the Japan External Trade Organization (JETRO), Hypovereinsbank, Caxton Associates and ITOCHU. In April 2004 the Ministry of Economy, Trade and Industry made a financial commitment to support the Program for the 2004–2005 program. Hal Morimoto, general managing partner of Astoria Consulting Group, LLC, is coordinator for the Program in Tokyo.

For more information on the Program on Alternative Investments, please visit the Web site at <http://www-1.gsb.columbia.edu/japan/alternatives>.

CONFERENCES

(Complete reports of the following programs can be found at <http://www.gsb.columbia.edu/japan>.)

“Solutions for the Japanese Economy”

June 19–21, 2004

A two-day academic conference was held in the Mori Building, Tokyo, on June 19–20, 2004, followed by a half-day public conference for government and business policy makers and the media on June 21. The key objective of this “Solutions” project is policy-oriented analysis to identify good solutions for the Japanese economy. The paperwriters presented their research, which addresses issues in an explicitly comparative context and, in order to incorporate a healthy reality check, the relationships between economic policy making and political change and possible reform in Japan.

The aim of these conferences was to have a substantial impact on the ongoing economic policy debate in Japan by presenting research to political, governmental, business, and other leaders and policymakers and media representatives in Japan. A volume of the research results will be published in English and Japanese editions in early 2005. Please see pages 44–45 for a complete list of chapters and authors.



(from left to right) Hugh Patrick, Takatoshi Ito, and David Weinstein

“U.S.-Japan Pension Fund Alternative Investment”

The Program on Alternative Investments

February 12, 2004

The Center on Japanese Economy and Business at Columbia Business School and the Pension Fund Association of Japan (PFA) co-organized a conference in Tokyo that brought together leading representatives of North American and Japanese pension plans. Presentations and discussions addressed the issues related to a new category of institutional investor in the world of alternative investments in Japan: the corporate pension plan. The meeting attracted a capacity audience of more than 450 people drawn mainly from the Japanese pension community; it received financial support from forty-three Japanese and non-Japanese financial institutions. Hiroshi Tada, president of the PFA, and Yuzaburo Mogi, president and CEO of Kikkoman Corporation, trustee emeritus of Columbia University, and member of the Center’s International Advisory Board, offered introductory remarks.

Presentations were given by Yasuchika Asaoka of the Pension Fund Association (PFA), Japan; Akihiro Nakamura, also of the PFA; Mark Mason of the Center on Japanese Economy of Columbia Business School; Masakazu Arikawa of Sony; Gregory Williamson of BP America; Shuzo Takahashi of the PFA; Yoshihide Furuya of the Japan Computer Information Services Employees Association; Francesco Mainolfi of the World Bank; Noboru Yamaguchi of JTB; Leo de Bever of the Ontario Teachers’ Pension Plan; Hidekazu Ishida of Osaka Gas; and Nirmal Narvekar of the Columbia University Investment Management Company.



Yuzaburo Mogi

SYMPOSIA

“Free Trade Agreements and Japan’s Trade Policy”

October 16, 2003

Featuring Noboru Hatakeyama, chairman and CEO of the Japan Economic Foundation, former vice-minister for international affairs, Ministry of International Trade and Industry (MITI), Japan, this symposium focused on Japan’s new Free Trade Agreements, which constitute a major shift in Japanese trade policy. Japan’s new interest in free trade areas is a radical departure from its previous foreign policy in which Japan strongly advocated a multilateral effort toward global trade liberalization and rejected FTAs for their discrimination against countries not signatories to the agreements. Noboru Hatakeyama made a major presentation, followed by comments from Columbia professors Jagdish Bhagwati and Merit E. Janow. The speakers tackled the prescriptions of international economic policy through political and economic analysis with an eye toward the realities of bureaucracy and diplomacy.

Co-sponsored by the Toyota Research Program of the Weatherhead East Asian Institute

“Koizumi’s Mandate: the Future of Japanese Politics and Economic Reform”

November 13, 2003

Featuring Gerald Curtis, Burgess Professor of Political Science of Columbia University; Richard Katz, editor, *The Oriental Economist*; and Hugh Patrick, this symposium focused on the results of the Lower House elections just held on November 9. The speakers debated the staying power of Prime Minister Koizumi’s cabinet, gave their analyses of the election and its effect on the economy and economic reforms and what it means for the future of Japan’s political landscape.

Co-organized by and held at Japan Society, New York

“Restructuring Distressed Companies in Japan”

The Program on Alternative Investments

November 20, 2003

The symposium featured Richard A. Gitlin, chairman of Gitlin & Company, and William Seidman, chief commentator of CNBC-TV, and former chairman of the Federal Deposit Insurance Company (FDIC) as well as a former chairman of the Resolution Trust Company



Noboru Hatakeyama



Merit Janow



Jagdish Bhagwati



Gerald Curtis



(from left to right) Curtis Milhaupt, Robert Fallon, Richard Gitlin, William Seidman, and Hugh Patrick

(RTC). Commenting were Curtis Milhaupt, Fuyo Professor of Law at Columbia School of Law, who also serves as director of the Center for Japanese Legal Studies, and Robert Fallon, a professional fellow at the Center on Japanese Economy and Business. Hugh Patrick moderated the discussion. Mr. Gitlin began with an analysis of the systemic structure, policies, and reservoir of political will necessary for successfully restructuring distressed companies in Japan. He argued there is reason to be more optimistic about the process of corporate restructuring in the near future. Other panelists were more cautiously optimistic, agreeing that there had been a number of favorable changes in Japan's institutions and policies of corporate restructuring. Mr. Seidman enumerated several stumbling blocks, linking current institutional problems to those that confronted prior reforms. Curtis Milhaupt cautioned that the microeconomic factors affecting restructuring are not as favorable as the new institutional framework for restructuring, and Mr. Fallon recounted his own experience in restructuring as a practitioner with an American financial concern working in Japan.

This symposium was co-sponsored by the Center for Japanese Legal Studies of Columbia Law School and the Japan Business Association of Columbia Business School.

“The Dollar, the Renminbi, and the Yen: A D-R-Y Relationship?”

January 29, 2004

This symposium featured Haruhiko Kuroda, special economic adviser to the Japanese prime minister and cabinet and professor of economics, Hitotsubashi University; formerly vice-minister of finance for inter-national affairs in Japan’s Ministry of International Trade and Industry (MITI). The title of the symposium, which is reflective of



(from left to right) Hugh Patrick, Haruhiko Kuroda, Glenn Hubbard, and Richard Clarida

Japanese idiom, refers to the “stickiness” of the *renminbi*’s relationship to the dollar, advocating a “drier,” more flexible approach to China’s exchange management. Mr. Kuroda discussed the possible approaches to revaluation of the *renminbi*. If revaluation is desirable, in order to cope with China’s overheating economy, a growing asset bubble, and the potential loss of control over the massive exchange, market intervention would be required to continue the de facto peg to the U.S. dollar. Columbia professors Richard Clarida and Glenn Hubbard then provided comments, based in part on their recent experiences in the U.S. government.

Co-sponsored by the APEC Study Center of Columbia University

“East Asia Economic Cooperation and Interaction”

February 12, 2004

Takatoshi Ito, professor at the Research Center for Advanced Science and Technology at the University of Tokyo, president of the Japan Economic Association, and former deputy vice-minister for international affairs in Japan’s Ministry of Finance presented at this symposium. Hugh Patrick was the commentator and David Weinstein was the moderator. Professor Ito’s presentation focused on Japan’s perspective on East Asian regionalism and its role and interests in economic cooperation in the region. The new interest in FTAs is a



Takatoshi Ito

major departure from Japan's earlier emphasis on the primacy of multilateralism via APEC and the WTO, but its new interest in Asian regionalism is also an interesting departure. The cause of East Asian regionalism had been broached many times in the past two decades, and Japan had

been steadfast in rejecting such groupings, arguing they would be construed as an attempt to form an "Asian bloc" and this would undermine global multilateral efforts under the WTO and similar institutions.

Co-sponsored by the APEC Study Center of Columbia University.

"The Future of Japanese Corporate Governance"

A Mitsui USA Symposium

February 19, 2004

The Center on Japanese Economy and Business and the Mitsui USA Foundation sponsored the fifth annual Mitsui USA Symposium, focusing on the future of Japanese corporate governance. The symposium presented the research of Curtis Milhaupt, Fuyo Professor of Law and director of the Center on Japanese Legal Studies at Columbia Law School, and Hugh Patrick. Professor Milhaupt discussed the analysis of new data concerning firms that have chosen to adopt a "U.S. corporate governance structure" featuring committees of the board, now optional under a 2002 amendment to the commercial code. Professor Patrick discussed the evolution of Japan's corporate governance



Ed Lincoln



Curtis Milhaupt

system over the past fifteen years. Dr. Edward Lincoln, a senior fellow at the Council on Foreign Relations, was the commentator. David Weinstein was moderator of the discussion.

“Investing in Hedge Funds and Private Equity: Viewpoints of U.S. and Japanese Institutional Investors”

The Program on Alternative Investments

March 31, 2004

Institutional investors are rapidly increasing their participation in alternative investments; the resulting financial flows will have important impacts not only on these institutions but also on the development of the financial services industry. To explore this topic, the Program on Alternative Investments at Columbia Business School’s Center on Japanese Economy and Business organized a symposium in New York of leading institutional investors from the world’s two largest economies, Japan and the United States, to examine growing institutional investments in private equity and hedge funds in particular.

Speakers included (in order of presentations): Hideya Sadanaga, senior vice president, Nippon Life Insurance International; Sheryl Schwartz, managing director, TIAA-CREF; Narv Narvekar, president, CEO, and CIO, Columbia Investment Management Company; Kazuo Seki, president and CEO, Alternative Investment Capital; Lawrence E. Kochard, managing director of Equity and Hedge Fund Investments, Virginia Retirement System; Kazuki Nakamoto, Managing Director, Daido Life Insurance Company; Franklin Edwards, Arthur F. Burns Professor of Free and Competitive Enterprise, Columbia Business School; Robert Discolo, head of Hedge Fund Group, AIG Global



(from left to right) Narv Narvekar, Hideya Sadanaga, Sheryl Schwartz, Kazuo Seki, and Hugh Patrick



(from left to right) Kazuki Nakamoto, Lawrence E. Kochard, Franklin Edwards, Robert Discolo, and Mark Mason

Investment Corporation; and Larry Glostén, S. Sloan Colt Professor of Banking and International Finance and chair of Finance and Economics Division, Columbia Business School. The keynote speech was given by David Russ, treasurer and vice president for investments, University of California.

LECTURES



Shijuro Ogata

“Update on the Japanese Economy”

Shijuro Ogata

Former Deputy Governor of International Relations, Bank of Japan, and Professional Fellow, CJEB

November 20, 2003, and March 24, 2004

Co-hosted by the Weatherhead East Asian Institute



Louis Forster

“Aozora Bank: The Contest Over, the Future Begins”

Program on Alternative Investments Seminar

Louis J. Forster

President, Cerberus Japan

“Japan’s Unavoidable Financial Crisis”

September 24, 2003



Shuhei Abe

“The Development of the Hedge Fund Industry: Market Dynamics and the Japanese Experience”

Program on Alternative Investments Seminar

Shuhei Abe

President and CEO, SPARX Asset Management Co., Ltd.

October 1, 2003

“Investing in Distressed Real Estate: The Morgan Stanley Experience in Asia”

Program on Alternative Investments Seminar

Sonny Kalsi

Managing Director of Morgan Stanley; Head of Morgan Stanley Realty, Asia

October 22, 2003



Sonny Kalsi

WEATHERHEAD EAST ASIAN INSTITUTE BROWN BAG SERIES

The Center cosponsors a number of the informal luncheon meetings held throughout the academic year with the Weatherhead East Asian Institute at Columbia University. Meetings for 2003–2004 featured:

Ryozo Hayashi, Former Director General, Ministry of Economy, Trade and Industry, Japan (METI)

“Japan’s Economic Reform: The View from METI”

September 4, 2003



Ryozo Hayashi

Gillian Tett, Former Tokyo Bureau Chief, *The Financial Times*

“Shinsei Bank: A Case Study in the Fight Over Japanese Financial Reform”

September 10, 2003



Gillian Tett

Motoshige Itoh, Professor of Economics, University of Tokyo

“Japan’s Negotiation of Free Trade Agreements: Pros and Cons”

October 23, 2003



Motoshige Itoh

Gerald Curtis, Burgess Professor of Political Science, Columbia University

“The November 9 Japanese General Election: Who Won and Why?”

November 12, 2003



Evans Revere

Evans Revere, Director, Office of Japanese Affairs, Department of State

“Redefining the U.S.-Japan Security Relationship”

December 2, 2003

John Neuffer, Deputy Assistant U.S. Trade Representative for Japan, Office of U.S. Trade Representative (USTR)

“Trading Up: Have U.S.-Japan Economic Relations Reached a New Plane?”

December 8, 2003



John Neuffer

Andrew Gordon, Professor of History, Harvard University

“Selling the American Way: The Singer Sewing Machine Company in Japan”

February 16, 2004

Masayoshi Amamiya, Senior official, Bank of Japan; Professional Fellow at the Weatherhead East Asian Institute
“Japanese Monetary Policy”
April 8, 2004

FELLOWSHIP PROGRAMS

The Center on Japanese Economy and Business provides selected fellowships supporting research and participation in academic programs related to Japanese economic and business fields for Columbia University students who prove outstanding academic ability and demonstrate a specific interest in Japan and the Asia-Pacific economies.

Sumitomo Corporation of America

The Sumitomo Fellowship Program was established by the Center as part of an initial operating grant from Sumitomo Corporation of America. The program provides support to recent Ph.D.'s and Ph.D. candidates specializing in some aspect of U.S.-Japan economic and business relations. Fellowship recipients typically spend a period in residence at the Center to engage in their own research and participate in Center programs. Past recipients include Dr. Frank Packer, now senior economist of the Monetary and Economic Department, Bank for International Settlements, and Dr. Nobuhiko Hibara, now associate professor of economics, Saskatchewan University. The 2003 doctoral fellow was Kazuko Shirono, Columbia University Ph.D. candidate in economics. She accepted a position at the International Monetary Fund in Washington after receiving her Ph.D. in May 2004.

Mitsubishi Trust Yamamuro Memorial Scholarship

The Center annually conducts a University-wide competition on behalf of the Mitsubishi Trust Yamamuro Scholarship and nominates one Columbia University student to receive tuition and living expenses for a one-year program of graduate study in Japan.

刊
行
物

PUBLICATIONS

PUBLICATIONS

To emphasize the importance of communicating research and scholarly exchanges to the Columbia community and to the wider audience of the government and business community, CJEB produces a written report of each lecture, symposium, and conference held throughout the year. Please refer to pages 44–55 for listings of these events. The Center contributes significantly to the understanding of Japanese business and Asia-Pacific economic relations by actively encouraging the dissemination of research results in written form, from within and outside Columbia University. Most research affiliated with the Center is published in scholarly books and professional journals and available on the Web site; the Center’s Working Paper Series and Occasional Paper Series disseminate preliminary research results prior to publication. We thank the authors for their contributions.

WORKING PAPER SERIES

215. “What Does the Consumption Tax Mean to Japanese and U.S. Society?” Naotaka Kawakami, 2003.

216. “The Difference in Taxation on Financial Transactions between Japan and the United States: Can the U.S. System and Theory Be the Model?” Naotaka Kawakami, 2003.

217. “It Takes More Than a Bubble to Become Japan,” Adam Posen, 2003.

218. “The Difficulty of Discerning What’s Too Tight: Taylor Rules and Japanese Monetary Policy,” Adam Posen and Kenneth Kuttner, 2003.

219. “Inflation Targeting Discussions in Japan—Unconventional Monetary Policy under Deflation: How People Have Argued; Why the BoJ Opposes Adoption,” Minako Fujiki, 2003.

220. “Evolving Corporate Governance in Japan,” Hugh Patrick, 2003.

221. “Corporate Governance Reform in Japan and South Korea,” Christina Ahmadjian and Jaeyong Song, 2003.

222. “A Search for Multiple Equilibria in Urban Industrial Structure,” Donald Davis and David Weinstein, 2004.

223. “The Financial Strategies of Japanese Multinational Enterprises and Internal Capital Market,” Chung I. Wang, 2004.

224. “Collateral Channel and Credit Cycle: Evidence from the Land Price Collapse in Japan,” Jie Gan, 2004.

225. “Is Foreign Direct Investment a Channel of Knowledge Spillovers? Evidence from Japan’s FDI in the United States,” Lee Branstetter, 2004.

226. “Japanese Macroeconomic Dilemmas: The Implications of Demographics for Growth and Stability,” Michael Smitka, 2004.

OCCASIONAL PAPER SERIES

54. “Economic Reform: View from METI,” Ryozo Hayashi, 2003.

55. “Building the Corporate Risk Control System with Some Viewpoints on the Risk Psychology,” Shigeyuki Goto and Hiroshi Hayakawa, 2003.

MEMOIR OF A TRUSTBUSTER

In 2003, Dr. Patricia Kuwayama, senior research associate of CJEB, worked with Dr. Eleanor Hadley to publish *Memoir of a Trustbuster: A Lifelong Adventure with Japan*. The book is a personal history of Dr. Hadley’s role in Washington and as a member of the U.S. occupation in developing postwar U.S. government policy on Japanese dissolution, antitrust policy, and corporate deconcentration, and her professional and personal involvement with Japan from her study in Japan in 1940–45 and her academic and governmental career after her government service in early postwar Japan. Eleanor Hadley’s classic study *Antitrust in Japan* was published by Princeton University Press in 1970. The Center received a special grant to assist Dr. Hadley in the writing of this book, which was published by the University of Hawaii Press in spring 2003. In summer 2004, the book was translated and published in Japanese by Toyo Keizai.

その他の支援活動

CJEB CONNECTIONS

CJEB CONNECTIONS

PACIFIC TRADE AND DEVELOPMENT CONFERENCE (PAFTAD) SERIES

The Center on Japanese Economy and Business serves as the American liaison office of PAFTAD in association with the PAFTAD Secretariat based at the Australian National University. Since its inauguration in 1968, PAFTAD has held 29 policy-oriented academic conferences on major topics and policy issues involving various dimensions of the economic interactions among the Asia-Pacific economies, including trade, foreign direct investment, technology transfer, regional institutional arrangements, environment and development, and competition policy. The edited conference papers are published in a refereed book in arrangements made through the PAFTAD Secretariat. As a private organization long before full diplomatic relations were established, PAFTAD was able to arrange participation from the People's Republic of China, the Soviet Union, Vietnam, and, most recently, North Korea. The conferences have been hosted by committees in virtually every Asia-Pacific economy.

PAFTAD participants, especially the International Steering Committee members, are actively involved as academic participants in PECC (the Pacific Economic Cooperation Council) and especially its policy task forces and study groups. In a number of countries, they also serve as advisers to their respective government's participation in APEC (the ministerial Asia-Pacific Economic Cooperation forum). In recent years the PAFTAD conferences have addressed important emergent issues in order to provide intellectual input into the APEC agenda as it develops over time. Professor Hugh Patrick has been chair of the PAFTAD International Steering Committee since 1985.

The twenty-ninth PAFTAD conference was hosted by the Centre for Strategic & International Studies (CSIS) in Jakarta, from December 16–18, 2003, on the theme of “Reshaping the Asia Pacific Economic Order.” The thirtieth PAFTAD conference, hosted by the East-West Center, will be held in Honolulu, Hawaii, in February 2005. The conference title is “Does Trade Deliver What It Promises?” For more information on PAFTAD, including past conferences, please see the Web site at <http://apsem.anu.edu.au/paftad>.

PACIFIC ECONOMIC COOPERATION COUNCIL (PECC)

PECC is a unique international organization. It was established in 1980 as a policy-oriented forum through the efforts of several

PAFTAD leaders, notably Sir John Crawford of Australia and Saburo Okita of Japan. Today some twenty-five Asia-Pacific economies are members. Each member has a unique tripartite national committee consisting of academics, business leaders, and government officials in their private capacity. PECC works closely with the governmental Asia-Pacific Economic Cooperation forum (APEC). PECC holds general meetings biannually.

Professors Janow and Patrick are members of the U.S. National Committee of PECC, and Hugh Patrick is on its board. They are also members of the U.S. umbrella organization, the Asia Pacific Council, established in 2001.

APEC STUDY CENTER OF COLUMBIA UNIVERSITY

Columbia University established the APEC (Asia-Pacific Economic Cooperation) Study Center in 1994 at the request of the U.S. Department of State in response to the APEC Leaders' Education Initiative introduced in 1993. This center serves as a focal point of study and research at Columbia University on issues of economic importance for the Asia-Pacific region and is codirected by Professors Merit E. Janow and Hugh Patrick.

Jointly administered by the Center on Japanese Economy and Business at the Business School and the Weatherhead East Asian Institute within Columbia's School of International and Public Affairs, the APEC Study Center of Columbia University enhances the Business School's rich tradition of research and teaching on the Asia-Pacific region by linking, coordinating, and expanding the reach of existing University programs organized by a variety of institutions, which in turn provide it with important infrastructural support. In addition to the Weatherhead East Asian Institute and the Center on Japanese Economy and Business, these institutions include the Jerome A. Chazen Institute of International Business, the Center for International Business Education, the Center for Chinese Legal Studies, the Center for Japanese Legal Studies, the Center for Korean Legal Studies, the Donald Keene Center of Japanese Culture, and the Center for Korean Research, among others. A complete list of APEC Study Center activities held at Columbia University during the 2003–2004 academic year is available at <http://www.columbia.edu/cu/business/apec>.

THE JAPAN ECONOMIC SEMINAR

The Japan Economic Seminar (JES) was founded in 1966 by

Professors James Nakamura (Columbia), Hugh Patrick (then at Yale), and Henry Rosovsky (Harvard). With membership of close to 100, it is an interuniversity forum for academics, other professionals, and advanced graduate students to discuss ongoing research in preliminary form by specialists on the Japanese economy. The Center on Japanese Economy and Business, the Weatherhead East Asian Institute of Columbia University, and George Washington University co-sponsor the seminars, which meet four times annually. The Center administers the seminar and Professor Hugh Patrick serves as secretary-treasurer. The following papers were discussed during 2003–2004:

September 12, 2003, at Columbia University

“Japan’s Banking Crisis: Who Has Most to Lose?” Yishay Yafeh,
School of Business Administration, The Hebrew University.

“Will the Sun Ever Rise Again? Japan Needs Both Structural Reforms
and Macroeconomic Policies,” Koichi Hamada, Department of
Economics, Yale University.

November 21, 2003, at George Washington University

“Loans to Japanese Borrowers,” David Smith, Board of Governors,
Federal Reserve System.

“Foreign Ownership and Earnings in the Japanese Labor Market,”
Hiroshi Ono, Stockholm School of Economics.

February 20, 2004, at Columbia University

“Why Didn’t the Japanese Miracle Take Place before World War II?”
Fumio Hayashi, Department of Economics, University of Tokyo.

“Government and Business Relations: Amalgamation of the Iron and
Steel Industry, 1916–1934,” Peter von Staden, University of the
West of England.

April 16, 2004, at George Washington University

“Japanese Macroeconomic Dilemmas: The Implications of Demo-
graphics for Growth and Stability,” Michael Smitka, Department
of Economics, Washington and Lee University.

“From Golden Eggs to Rotten Apples: Changing Landscape of the
Market for New High School Graduates in Japan,” Kenn Ariga,
Institute of Economic Research, Kyoto University.

U.S.-JAPAN DISCUSSION GROUP

Organized as a series of informal meetings among a small group of senior American and Japanese business leaders and professionals in

the New York area, together with several Columbia faculty, the group meets four evenings a year to consider issues in U.S.-Japan business, economic, financial, and political relations. During the 2003–2004 academic year, the discussions were led by Hugh Patrick and Atsushi Nishijo, president and CEO of Sumitomo Corporation of America. Other participants from Columbia are Professors Merit Janow, Curtis Milhaupt, and David Weinstein.

JAPANESE MONETARY POLICY DISCUSSION GROUP

The discussion group includes senior specialists on the Japanese financial system. The group meets five or six times annually. The participants are Hugh Patrick and David Weinstein from Columbia; Patricia Kuwayama, vice president, JP Morgan Chase; Frances Rosenbluth, professor, Department of Political Science, Yale University; Kenzo Yamamoto, general manager in the Americas, Bank of Japan; Mineko Sasaki-Smith, visiting research fellow, Harvard University; Jennifer Dwyer, assistant professor, Department of Political Science, Hunter College; Richard Katz, editor, *The Oriental Economist*; and James Harrigan, senior economist, Federal Reserve Bank of New York.

PRESIDENT BOLLINGER'S VISIT TO JAPAN

From April 3 to April 15, Lee Bollinger, President of Columbia University, traveled to East Asia as part of the University's 250th anniversary celebration. He had several appointments, lunches, and dinners in Tokyo and visited Prime Minister Junichiro Koizumi. President Bollinger addressed audiences at Waseda University in Tokyo and discussed the impact of globalization on U.S. institutions of higher education. A reception was also held in Tokyo for Columbia alumni, with more than 650 people in attendance.

STUDENT OUTREACH

The Center regularly supports a number of student organizations and research institutes to enhance dialogue between Japan and the United States as with the Columbia community. During 2003–2004, the Center continued its ongoing support of the Japanese Business Association of Columbia Business School by co-sponsoring various programs.

In addition to other support throughout the year, CJEB provides administrative and financial support for the Japan Study Trip, which

is organized by a committee of M.B.A. students under the direction of the student-run Japan Business Association. In March 2004, students from Columbia Business School traveled to Japan on the Business School's twelfth annual Japan Study Trip. Over the course of seven days, the students met with representatives of Kikkoman Corporation, Shinsei Bank, Sony, and Louis Vuitton Japan. Students also toured Tokyo, Hakone, Kyoto, and Hakone.

FACULTY IN THE MEDIA

Center faculty are actively involved in public discussions about Japan in addition to their academic research and participation in conferences. The number and range of contexts, including those with the media in the United States and abroad, are too extensive, varied, and diffuse to record here. The following are recent examples of some of these interactions.

The Wall Street Journal, April 13, 2004

“Japan Grooms New Lawyers”

Based on interviews with Curtis Milhaupt, Director of Center for Japanese Legal Studies and Fuyo Professor of Law, Columbia Law School.

Foreign Affairs, March/April 2004

“For the United States and Japan Multilateralism Is Key,” by Gerald Curtis, Burgess Professor of Political Science, Columbia University.

The Financial Times, June 7, 2004

“Confusion Still Governs in Corporate Japan”

Based on the research paper of Curtis Milhaupt, Director of Center for Japanese Legal Studies and Fuyo Professor of Law, Columbia Law School.

The Japan Times, June 12, 2004

“Korean Democracy Passes Test,” by Gerald Curtis, Burgess Professor of Political Science, Columbia University.

The New York Times, June 17, 2004

“Economic Scene: Variety, the Spice of Life, Has Measurable Value. But It's Not Easy to Determine,” by Virginia Postrel.

Based on the research paper of Professor David Weinstein, Associate Director for Research, Center on Japanese Economy and Business, and Carl S. Shoup Professor of the Japanese Economy, Columbia University.

The Economist, June 24, 2004

“Grey Hair, Red Ink, but Blue Skies?”

Based on the research paper of Professor David Weinstein, Associate Director for Research, Center on Japanese Economy and Business, and Carl S. Shoup Professor of the Japanese Economy, Columbia University.

Bloomberg News, July 2, 2004

“Maybe Japan’s Bond Market Does Make Sense”

Based on the research paper of Professor David Weinstein, Associate Director for Research, Center on Japanese Economy and Business and Carl S. Shoup Professor of the Japanese Economy, Columbia University.

SEMINARS FOR THE JAPAN PRODUCTIVITY CENTER FOR SOCIO-ECONOMIC DEVELOPMENT

On November 13, members from the Japan Productivity Center visited Columbia from Tokyo to participate in a seminar led by Professor Rita McGrath, associate professor of management of Columbia Business School. Her lecture was on comparative perspectives on U.S. and Japanese business practices.

On July 15, Professor Patricia Clifford of the Executive Education Department of Columbia Business School addressed another group from the Japan Productivity Center; her lecture was on corporate governance issues.

JAPAN INFORMATION ACCESS PROJECT

The Japan Information Access Project is a Washington, D.C.-based, independent, nonprofit research center that was established in 1991 to strengthen international understanding of Japanese science, technology, industry, security, and policy. It is a trusted member of the U.S. policy community interested in Japan and Asia, specializing in introducing to Washington the best “outside-the-Beltway” scholarly research and analysis on critical Asia policy issues. The goal is to strengthen international understanding of Japanese and Northeast Asian science, technology, and economic and security policy through a range of programs and publications. The Center on Japanese Economy and Business is a supporter of this worthy project.

研究所の顔ぶれ

RESOURCES

RESOURCES

People are vital to CJEB's success. In addition to its core faculty and research associates, the Center depends critically on other human resources without which its activities would not be possible. These include the Center's professional and administrative staff, Japanese visiting fellows and scholars, and student part-time administrative interns.

PROFESSIONAL AND ADMINISTRATIVE STAFF

Matthew Brummer (from May 2004)

Financial Officer

B.S., Business Administration, and B.A., Business Economics,
Bucknell University

Patricia Fantulin

Program Consultant

B.A., Political Science and Sociology, Fordham University
M.A., Comparative Politics, Columbia University

Wendy Himmelsbach

Administrative Officer

B.A., SUNY College at Old Westbury
M.A., Organizational Psychology, Teachers College,
Columbia University

Yoko Mochizuki

Program Officer

B.A., Keio University
M.A., University of Chicago
Ph.D., International and Comparative Education, Teachers College,
Columbia University

Terumi Ohta

Liaison, Japan Representative Office

B.A., Tsukuba University

Jennifer Olayon (from June 2004)

Program Officer

B.A., Transnational Perspectives in Design, University of
Connecticut

Joshua M. Safier

Associate Director for Administration

B.A., Oberlin College
M.A., East Asian Languages and Literature, University of Kansas

Ph.D. Candidate, Higher Education Administration,
Teachers College, Columbia University

Raymond Shiu

Program Officer (until May 2004)

B.S., University of California, Davis

M.A., Higher Education Administration, Teachers College,
Columbia University

Yvonne Thurman

*Senior Program Officer (promoted to Associate Director for
Administration, April 2004)*

B.A., College of Staten Island, City University of New York

M.I.A., International Finance and Business, School of International
and Public Affairs, Columbia University

Alton Wanning

Program Officer

B.A., Lafayette College

PROFESSIONAL FELLOWS

The position of professional fellow was created by the Center on Japanese Economy and Business in order to recognize a select number of former government officials and business leaders who have had distinguished careers in economics-related ministries or business corporations and to facilitate their ongoing involvement in and support of the Center's activities.

The appointees to this position this year are:



Robert Fallon, who served as professional fellow until January 2004, when he accepted a position as CEO of Korea Exchange Bank in Seoul. Prior to joining CJEB, he was head of Global Financial Services for JP Morgan Chase & Co. and, as senior executive, responsible for worldwide relationships with financial institutions, including banks, insurance companies, investment management firms, broker-dealers, hedge funds, and government-related financial institutions. Mr. Fallon formerly lived in Japan, where he was the Asia-Pacific division head for Chase Manhattan Bank and a member of the Chase Manhattan Corporation Management Committee. He was responsible, as senior executive in Asia, for Chase's activities in the Pacific Rim in thirteen different countries. Mr. Fallon has lived in Asia for twenty-six years, including time spent

in Western Samoa, Hong Kong, and Japan. He started his banking career with Citibank in 1975 and later worked in investment banking and management positions with Drexel Burnham Lambert and Bankers Trust Company before joining Chase in 1992. He holds a B.A. from Ohio University and an M.B.A. from Harvard Business School. In spring 2003, Mr. Fallon cotaught the course “Business and Financial Markets in East Asia” with Professor Lee Branstetter. In doing so, he led several case study discussions and helped supervise the writing of a set of original case studies. The case studies are available in the spring 2002 issue of Columbia Business School’s Chazen Web Journal: <http://www-1.gsb.columbia.edu/chazenjournal/>



Shijuro Ogata served at the Bank of Japan from 1950 to 1986, mostly in Tokyo, but also in Osaka, London, Okayama, and New York, in due course becoming its deputy governor for international relations. From 1986 to 1992, Mr. Ogata was deputy governor of the Japan Development Bank. During this period, he served in governmental councils on shipbuilding and shipping, navigation, coal mining, energy research, and education. In addition to serving as an adviser to a number of financial institutions, Mr. Ogata is active in public service; he is a former chairman and member of the Asia Pacific Advisory Committee of the New York Stock Exchange, Japanese deputy chairman of the Trilateral Commission, and member of the Group of Thirty. In addition, he currently is a nonexecutive director of Fuji Xerox Co., Ltd., and Horiba, Ltd.; a member of the International Advisory Council of Chase Manhattan Corporation; a Swire Group adviser in Japan; an adviser to the Imperial Hotel, Tokyo; and a special adviser to Barclays Asset Management Group in Japan. A graduate of the University of Tokyo and the Fletcher School of Law and Diplomacy, Mr. Ogata is a coauthor of *International Financial Integration: The Policy Challenges* (Trilateral Commission, 1989) and has written numerous articles, mainly on international monetary issues.

VISITING FELLOWS AND SCHOLARS

Each year the Center accepts a small number of professional fellows and scholars to spend a period in residence at Columbia. During 2003–2004, the Center hosted eight visiting fellows from academic and professional communities in the fields of business and economics. Center fellows engage in a wide variety of activities during their stay, including auditing courses at the University and pursuit of individual research projects under the direction of Business School faculty. They contribute significantly to the Center environment and serve as important sources of experience and information for faculty, students, and administrators.

Masayoshi Amamiya
Bank of Japan
*(joint fellow with Weatherhead
East Asian Institute)*

Kenn Ariga
Institute of Economic Research,
Kyoto University

Hironori Ishizaka
Ministry of Economy, Trade
and Industry

Takayuki Kusumoto
Mitsubishi Trust and Banking
Corp.

Tokio Morita
Ministry of Finance

Ryoji Sakurai
Shizuoka University

Taketoshi Tarumoto
Mitsui Sumitomo Insurance Co., Ltd.

Chung-I Wang
Seinan-Gakuin University



Masayoshi Amamiya



Kenn Ariga



Hironori Ishizaka



Takayuki Kusumoto



Tokio Morita



Ryoji Sakurai



Taketoshi Tarumoto



Chung-I Wang

INTERNS

Peter Anthony
B.A. Candidate
Columbia College

Suanne Chen
B.A. Candidate
Columbia College

Susanna Giboni
B.A. Candidate
Columbia College

Soo Young Jeong
B.S. Candidate
Fu Foundation School of Engineering and Applied Science

Hea Lyun Lee
B.A. Candidate
Columbia College

Eri Yoshida
B.A. Candidate
Columbia College

INTERNATIONAL ADVISORY BOARD

The International Advisory Board of the Center on Japanese Economy and Business provides overall guidance for the Center. Members are distinguished leaders in the fields of Japan-U.S., economic, business, and political relations.

Shinji Fukukawa
Executive Adviser
Dentsu Institute for Human Studies
Former Vice-Minister
Japanese Ministry of International Trade and Industry

Robert S. Ingersoll
Former Ambassador to Japan
Former Undersecretary of State
Former Chairman, Japan Society, Inc.

Yotaro Kobayashi
Chairman
Fuji Xerox Co., Ltd.

Yuzaburo Mogi
Chairman and Chief Executive Officer
Kikkoman Corporation

Atsushi Nishijo
President and Chief Executive Officer
Sumitomo Corporation of America

Joseph G. Tompkins
President
Saga Investment Co., Inc.

Akio Utsumi
Chairman
The Mitsubishi Trust and Banking Corporation

FACULTY ADVISORY BOARD FOR THE PROGRAM ON ALTERNATIVE INVESTMENTS

CJEB relies on the guidance of faculty members of the Business School to strengthen the research aspect of the Program on Alternative Investments. The current board members are:

Franklin Edwards
Arthur F. Burns Professor of Free and Competitive Enterprise and
Director, Center for the Study of Futures Markets

Larry Glosten
S. Sloan Colt Professor of Banking and International Finance and
Chair of Finance and Economics Division

Robert Hodrick
Nomura Professor of International Finance and Senior Vice Dean

R. Glenn Hubbard
Russell L. Carson Professor of Finance and Economics and
Academic Director, Eugene M. Lang Center for Entrepreneurship

Christopher J. Mayer
Paul Milstein Professor of Real Estate and Director, M.B.A. Real
Estate Program and Paul Milstein Center for Real Estate

Hugh Patrick
R. D. Calkins Professor of International Business Emeritus and
Director, Center on Japanese Economy and Business

David E. Weinstein

Carl S. Shoup Professor of the Japanese Economy and Vice Chair,
Department of Economics; Associate Director for Research,
Center for Japanese Economy and Business

LIBRARY AND DATABASES

Columbia University is home to one of the largest collections of Japanese- and English-language materials in the United States. The Center evaluates Columbia University library resources, commits funding to procure new materials on Japan and the Asia-Pacific economies, and lends support to the programs of the C. V. Starr Library of East Asian Studies and the Watson Library of Business and Economics.

The Center maintains a small working collection of materials on the Japanese and Asia-Pacific economies, including statistical resources, academic journals and periodicals, monographs, and videotapes in both Japanese and English. These materials are available to Columbia University faculty and students engaged in research on the Japanese and Asia-Pacific economies and business systems.

The Japan Databank

The Center continues to develop its major computer-based databank on the Japanese economy, with emphasis on financial markets, under the direction of Professor David Weinstein. The databank is a compilation of statistical resources for use by faculty and students conducting relevant research. It includes time-series and cross-section data on financial markets, institutions, and macroeconomy from Nikkei NEEDs and other sources. Nikkei is an online news and data retrieval system that provides essential corporate and economic data as well as leading newspaper and journal articles from Japan and other Asia-Pacific economies.

協
贊

FINANCIAL SUPPORT

FINANCIAL SUPPORT

Columbia University and its Business School provide basic support for the Center by covering faculty salaries and providing office space, library and administrative support, and other necessary services. At the same time, the Center relies significantly on external sources of financial support from foundations, corporations, and individuals for its programs and activities. Income is derived from the Center's endowment, operating and project grants, and especially from the Corporate Sponsorship Program, established in 1995. These funds are utilized effectively and managed prudently and indeed have been essential in the expansion and deepening of Center activities over the years. Academic independence has not been an issue, since there are no restrictions attached to any of these gifts. Grants from Japanese and American foundations for specific projects are also recognized below.

While the Center does provide limited funding for faculty initiated research projects, most faculty research is funded, in addition to Columbia's support, by individual grants awarded in competitive research grant programs from the National Science Foundation. The Center's role is to provide seed money to finance the development of individual faculty research proposals.

CORPORATE SPONSORSHIP PROGRAM

Reflecting the deep structural changes in Japan's domestic economy and management systems, the dramatic growth of the other Asia-Pacific economies, and Japan's significant role regionally and globally, the Center on Japanese Economy and Business in 1995 committed to further expansion of its activities. The Center's Corporate Sponsorship Program, established in early 1995, has been instrumental in funding this expansion and guaranteeing financial support for these activities over the long term. The Center plans to expand the Corporate Sponsorship Program of annual contributions and welcomes inquiries. It is possible for Japanese corporations to receive tax-exempt treatment of their contributions through the arrangements of CJEB with the Council for Better Corporate Citizenship of Keidanren.

Major Corporate Patron

(\$50,000+ annually)

Sumitomo Corporation of America

Corporate Sponsor Leaders

(\$25,000-\$49,999 annually)

Kikkoman Corporation

Saga Investment Co., Inc.

Takata Corporation

Tsuchiya Co., Ltd.

Corporate Sponsors

(\$10,000-\$24,999 annually)

Caxton Associates, LLC

Japanese Chamber of Commerce & Industry of New York, Inc.

JP Morgan Chase and Company

The Mitsubishi Trust and Banking Corporation

Mitsui Sumitomo Insurance Company

Mitsui USA Foundation

The Tokyo Electric Power Company, Inc.

Individual Sponsors

(\$10,000-\$24,999 annually)

Robert Feldman

Chief Economist and Managing Director

Morgan Stanley Japan, Ltd.

Shigeru Masuda

Chairman

Zeron Capital Ltd.

Friends of the Center

(up to \$9,999 annually)

Sumitomo Chemical Corporation

FOUNDATION GRANTS

The foundations listed below have provided financial support to the Center during the 2003–2004 academic year for the “Solutions for the Japanese Economy” research project. The Center is indebted to them for their support.

The Itoh Foundation U.S.A.
Toshiba International Foundation
The Weatherhead East Asian Institute Fund
Japan Foundation Center for Global Partnership

FUNDING FOR THE PROGRAM ON ALTERNATIVE INVESTMENTS

The recently-established Program on Alternative Investments depends to a great extent on special funding from outside sources. Major funding is provided through its Lead Corporate Sponsorship Program, consisting of three-year commitments of \$100,000 annually. The Program is pleased to welcome Nomura Holdings and Daido Life Insurance as its first two Lead Corporate Sponsors.

The Program has also received financial support from the Japan External Trade Organization (JETRO), Hypovereinsbank, Caxton Associates, and ITOCHU. In April 2004 the Ministry of Economy, Trade, and Industry made a financial commitment to support the Program in the amount of 18 million yen for the 2004–2005 program.

OTHER FUNDERS

The Lone Star Corporation, thanks to the efforts of Robert Fallon, made a special gift of \$100,000 to Columbia Business School, of which \$60,000 was designated for the Center on Japanese Economy and Business.

概要
—
日本語

HIGHLIGHTS OF THE YEAR'S
ACTIVITIES (IN JAPANESE)

日本経済：先行き不透明な景気回復

はじめに

一年前の悲観的ムードとはうってかわって日本経済に対する楽観的な観測が広まっているが、このまま持続的な回復と成長につながるかの判断には時期尚早と見る。雇用問題、いまだ脆弱な銀行システム、地価下落、そして引き続き企業および政府金融機関のリストラ、と昨年のアニュアルレポートで述べた日本経済の問題点は、改善は見られるものの、依然として解消されていない。加えて、私見としては今回の景気回復を受けて政府、経済界に万事安泰との自己満足が広まり更なる改革の足かせとなる恐れもあり、予断できない。

日本経済の動向と総需要

輸出と企業投資の大きな伸びがけん引となり最近の日本経済は成長を見せているが、総需要不足は依然として問題。2005 年には世界的に景気・貿易減速が予想される一方、円高懸念もあり、日本経済にも影響が及ぼう。企業の業績、バランスシートは改善しつつあるものの、企業投資も現在のペースからは減速すると見る。輸出と投資の減速を受けて、総需要の増加は国内消費の伸びにかかってくる。2004 年に入ってから消費支出は予想外に好調な増加を見せているが、貯蓄率を下げることで消費・生活水準を維持するというこれまでのパターンがくずれ、変わりに所得の伸びに対する依存度が高まれば、所得自体の増加が微細たるなか、消費支出成長率も低下しよう。

総需要を増加させデフレを緩和するには、政府のマクロ経済政策はまだ不十分。消費者物価指数には年率 1 パーセントの上ぶれ傾向があるため、消費者物価指数が年率 1 パーセント以上にならない限りデフレが終わったとは言えず、よってデフレ終了にはまだ一年かそれ以上を要しよう。2005 年にはほぼ確実に景気減速が予想されるが、重要なポイントはその循環的成長率鈍化が、これまでのような過剰雇用、過剰設備を伴った低成長に逆もどりする類のものか、それとも現在のモメンタムを維持しいずれ持続的な成長に転ずるものであるか、という点である。その見極めには、おそらくあと一年ほどは必要であろう。

金融政策と“出口”戦略

日銀がいつ現行の量的緩和政策およびゼロ金利政策を解除するか、という点はマクロ経済政策上の重要課題である。量的緩和政策を解除し通常の金融政策に移行するために、日銀はまず当初予定通り 1000 万円以上の預金のペイオフ解禁を 2005 年 4 月までに徹底し、次に量的操作から金利操作による金融政策への転換を行う必要がある。

この“出口”プロセスにおいて問題となるのはそのタイミングと順序。日銀は金利引上げに移行する前に、あらかじめ量的緩和策を引き締めに転じ、金融市場にシグナルを送ると見る。ゼロ金利政策の解除はその後となる。しかし、日銀が現行の金融緩和政策を解除するには、消費者物価指数が前年比で約 1 パーセントのプラス基調が維持されることが前提となろう。経済状況が通常に転じ、完全雇用および潜在実質 GDP 成長の持続が達成され、名目経済成長はプラス基調、消費者物価指数は 1-2 パーセント内、逆ザヤ金利が解消され金利スプレッドも適正レベルを維持する必要がある。消費者物価指数がプラス基調となり経済成長も引き続き好調と仮定するならば、現在の金融緩和政策が引き締めに転ずるのは 2005 年末以降、と見る。

不十分な雇用創出

失業、不完全雇用、そして雇用のミスマッチは、景気動向および経済構造の両面において、日本が抱えるもっとも深刻な問題である。フルタイムの正規職員がパートタイム職員にとって代わられるという“雇用の質”の問題に加え、労働力人口における就労年齢者人口も減少している。パートタイム人口は着実に増加しており、労働人口の四分の一以上に達している。長期的には、脆弱な雇用市場においては特に若年労働者へのしわ寄せが深刻になると懸念されるが、実際失業者および学生でも勤労者でもない“無業者”の割合は若者の間で最も高い。パートタイム人口の特に若者の間での増加は、労働需要が未だ低いことを反映している。仕事を通してスキル向上を図る機会を失ったこれらの若年労働者は、バブル崩壊後の長期不況のコストと言える。

金融システム改革

UFJ を除く大手 8 行の業績、資産内容、自己資本比率の向上および、金融庁が掲げた 2005 年3月期の不良債権比率半減目標値にそった不良債権削減を受けて、かつて懸念されたような金融危機の可能性は無くなった。株価上昇も、持ち合い株式売却を進める銀行にとっては好都合とはいえ、日本の銀行システムは依然脆弱。各銀行の自己資本比率、利益率、金利スプレッドははまだ低レベル、貸出し需要も弱く、巨額の国債引受の結果金利上昇リスクに対し敏感となっている。貸出し金利の上昇、金利スプレッドひいては利益率の増加、という楽観的なシナリオにもとづいても、各銀行が剰余金による資本強化を果たし効率性、競争性のある銀行システムが成立するにはまだ何年もかかると見る。ひとつ懸念されるのは、住宅ローンには増加が見られるものの、銀行貸出しは減少している点。企業の借入需要の低下、また自己資本比率維持優先による銀行の貸し渋り、および銀行が新しいビジネスモデルを打ち出せずにいることが原因である。

政府の経済政策

小泉首相率いる自民党・公明党連立政権が 7 月の参議院選挙で多数議席を確保したことから、政府の構造改革・規制緩和政策はほとんど変わりなく続行されると見る。幾分引き締め気味の財政政策と超緩和金融政策という組み合わせも維持され、民間部門の改革は各企業および市場の手にゆだねられるようになる。政府の力点は郵政事業、および地方公共部門の改革である。日本の社会保障制度においては、国民年金制度および高齢者への健康保険制度の充実が政策の主眼となろう。当研究研究所のワinstain教授の分析は、精密かつ現実的な前提にもとづけば、これら長期的財政問題の深刻さは政府予想ほど差し迫ったものではないことを示している。

経済構造の転換

戦後高度経済成長期の日本経済の三本柱である終身雇用制度、メインバンク制度、および株主と経営者の分離による経営システムは、経済が成熟し成長率が低下するにつれ弱まりつつある。しかし、それらは進化こそすれ消滅しつつあるわけではない。株主利益重視、能力主義が叫ばれるようになったが企業の正規社員重視の姿勢は変わらない。また、資金調達市場の企業モニタリング機能が未発達な現在、メインバンク制度も依然その地位を維持している。

コーポレート・ガバナンスにおける変化

“系列”や株式持合いの例に見られるように戦後日本の馴れ合いによる経営システムは、外部からの干渉を阻止し、経営の不透明さを増長した。日本のコーポレート・ガバナンスにおけるモラルハザードは、経営トップが異常に高い給与を取ったり近視的経営目標を掲げがちという点ではなく、監督が社内に行き届いていない点にある。管理職による企業の過ちの隠蔽、痛みを伴うリストラの先延ばし、そして売上高・シェア確保のためには不採算事業にも投資するといったことが行われてきた。このような経営システムも、業績低迷、続出する企業の不祥事、そして世界的にもコーポレート・ガバナンスへの注目が高まるにつれ、ここ数年来批判の対象となっている。しかし、改革も実際には政府主導で、企業および市場が除々に対応している。制度改革、法的整備には、ストック・オプション、企業買収、持ち株会社、自社株買戻し等、企業に柔軟性を持たせることを目指すものと、時価評価制度、より厳格な会計・監査基準、資金調達市場の自由化といった社外モニタリング機能強化を目指すものがある。また、2003年以降、日本企業は従来型取締役会制度に加え、社外取締役が大きな役割を果たす米国型取締役会制度を導入できるようになったが、これもコーポレート・ガバナンスの手法がひとつ増えただけであり、米国型取締役会制度が日本企業の主流になるとは考えられない。とはいえ、取締役および取締役会の役割が議論されるにつれ経営に対する考え方も多くの企業のなかで変化しつつあり、社外取締役起用の増加もその反映と見る。一方、株主の傾向も変化している。安定株主による保有率は、1991年には上場株式全体の45.6パーセントだったが2003年3月には27.1パーセント、持ち合い株式も同様に18.0パーセントから7.4パーセントに低下したという見積もりもある。反対に増加しているのは外国人株主。しかし、上場株式の多くを依然として安定株主が保有しており、特に大手系列メンバー企業においてその傾向が強い。

日本の経営およびコーポレート・ガバナンスのシステムは進化途上にあるが、私見を以下にまとめる。第一に、資金調達およびステークホルダー全体の利益のためには利益向上が重要であるという教訓を日本の経営者は今一度学んだ。第二に、多くの日本企業が社外取締役を起用するようになったが、それが主流となるわけではなく、米国型取締役会制度を導入する企業は少数に限られよう。各企業の要点は、社内ガバナンス制度の改革、従業員への職業倫理の徹底、効率的な社内コミュニケーション、コントロール、およびプロセスの強化にあると見る。第三に、資金調達市場の制度、金融商品、そして価格形成が、ついに企業モニタリング機能を果たすようになるが、重要ファクターとなるにはまだ時間が必要。第四に、日本のコーポレート・ガバナンスの目指すところ、およびその制度と実際は、日本の戦後経済システムのなかから進化し、そのカタチは企業によって異なるだろうが、アングロ・アメリカ型ガバナンスを目指す企業は少数にとどまるであろう。

おわりに

2005年GDP成長率の動向およびその後の展望が明らかにならないうちは、今年の経済成長が日本経済を持続的かつ完全雇用をともなった回復と成長への軌道に乗せうるかどうかの判断は時期尚早と見る。あと半年から一年は判断を控えたい。1990年代を“失われた10年”として片付けるのは早急に過ぎる。日本の制度、思考パターン、そして行動様式は静かに、かつ大きく変わってきている。とはいえ、まだ片付いていない問題が山積している現在、自己満足は大きな足かせとなる危険を指摘しておきたい。

2004年9月14日

ヒュー・パトリック

I. 活動概要

日本経済経営研究所は、1986年4月、コロンビア・ビジネス・スクールの主要研究機関として設立されました。当研究所は、世界のトップレベルの日本経済、ビジネス、およびアジア・太平洋地域の経済関係の研究所として、研究、教育、政策分析の分野で指導的な役割を果たすことを目標とし、新進気鋭の研究者を研究者陣として迎えてきました。設立以来18年に渡り、日本経済を取り巻く環境や日本政府・企業の金融・財政政策の再検討、企業戦略の見直し、組織改革についての問題点や将来の展望についての研究プロジェクトを企画し、その成果を、国際会議、シンポジウム、講演会さらには出版物という形で、学界、学生、一般市民に提供しています。

II. 研究者陣容

ヒュー・パトリック

コロンビア・ビジネス・スクール 日本経済経営研究所 所長
R. D. カルキンス国際ビジネス名誉教授
コロンビア大学 APEC 研究センター 共同所長

ディビッド・ワインスタイン

コロンビア・ビジネス・スクール 日本経済経営研究所 研究副所長
コロンビア大学経済学部 カール・S・シャープ 日本経済学教授

マーク・メーソン

コロンビア・ビジネス・スクール 日本経済経営研究所 プログラム副所長
オルタナティブ・インベストメント・プログラム ディレクター
マサチューセッツ州国際貿易委員会 役員

ショーン・ビーチラー

コロンビア・ビジネス・スクール シニア・エグゼクティブ・プログラム ディレクター
エグゼクティブ MBA プログラム 助教授

リー・ブランステター

コロンビア・ビジネス・スクール ダニエル・スタントン 助教授

ジェラルド・カーチス

コロンビア大学政治学部 バーゲス政治学教授

グレン・ハーバード

コロンビア・ビジネス・スクール 学長
コロンビア・ビジネス・スクール ラッセル・L・カーソン 財政・経済学教授

メリット・ジェイノー

コロンビア大学国際公共政策大学院 国際経済法・国際関係教授
コロンビア大学 APEC 研究センター 共同所長

カーチス・ミルハウプト

コロンビア大学ロースクール 日本法センター 所長
芙蓉 日本法教授

ジェゼフ・スティグリッツ

コロンビア大学イニシアティブ・フォー・ポリシー・ダイアログ・センター 所長
コロンビア・ビジネス・スクール 財政・経済学教授
コロンビア大学国際公共政策大学院(SIPA) 財政・経済学教授

III. 活動内容

日本経済経営研究所では、ニューヨークという地理的好条件を活かし、研究機関、ビジネス界、国際機構、政府関係機関などとの積極的な交流を通して、日本およびアジア太平洋の理解促進に努めています。当研究所では、学術的な研究から公共政策関連のトピックまで、幅広く研究プロジェクトを手掛け、会議、シンポジウム、講演会を定期的開催しています。これらの研究プロジェクトの多くは、NY ジャパン・ツサエティ、コロンビア大学ウェザーヘッド東アジア研究所、コロンビア大学 APEC 研究センターなどとの共催イベントとして、コロンビア大学関係者および一般市民に公開されています。なおプロジェクトの報告書は当研究所のウェブサイトからダウンロードすることが可能です。

主な活動内容は以下の通りです。

“Solutions for the Japanese Economy”プロジェクト

当研究プロジェクトは、日本経済経営研究所のワインスタイン教授、パトリック教授、カーチス教授、東京大学の伊藤隆敏教授、藤井真理子教授、一橋大学の祝迫得夫助教授が中心となり、当研究所と東京大学先端技術研究センターが共同で、長引く停滞から日本経済が脱出するための方策を探り、具体的な政策提言に結びつけることを目的としています。

15 名に及ぶ日米両国の優れた研究者が、金融・財政政策、資本市場、労働市場、銀行・金融制度、企業投資、国際経済システム、通商政策、経済政策決定と政治的変化・政治改革の可能性など、それぞれの専門分野に関する論文を執筆し、日本経済への総合的な処方箋を作成し、2005 年初旬には研究成果をまとめたレポートを、日本語・英語 2ヶ国語で出版する予定です。

オルタナティブ・インベストメント・プログラム

オルタナティブ投資は、欧米に続き、現在日本や東アジアにおいても急速に発展しています。その推進力となっているのは、金融業界におけるイノベーション、産業界におけるリストラ、政府サイドの規制緩和、そして近年、多くのマーケットにおいて伝統的資産（上場株式・債券等）から低リターンしか得られない現状などです。このような状況下において、当研究所ではオルタナティブ・インベストメント・プログラムを創設、当該分野における今後の成長動向を分析し、管理職にあるビジネスマン、政府機関の政策立案者及び研究者にとってこの比較的新しく重要な投資手法が示唆するものは何かを探り、ヘッジファンド、プライベートエクイティ、商業用不動産投資など、主な非伝統的資産クラスの日本および東アジア地域での成長動向及び特徴を研究していきます。

当プログラムは、以上の目的を達成するため、(1)研究活動(2)セミナー及びワークショップの開催(3)出版活動、の活動を主に展開しています。

出版物の多くは、<http://www.gsb.columbia.edu/japan/alternatives> よりダウンロードすることが可能です。

国際会議

2003—2004 年度は、以下2つのコンファレンスが東京にて開催されました。

停滞する日本経済への処方箋 “Solutions for the Japanese Economy”

2004 年 6 月 19-21 日、最初の 2 日間は専門家を対象に、3 日目は政府・ビジネス界における政策立案者およびメディアを対象にしたコンファレンスを森ビルにて実施。

日米年金 オルタナティブ投資カンファレンス:投資の現状と進むべき方向

2004 年 2 月 12 日、厚生年金基金連合会との共催で東京品川プリンスホテルにて、日本の企業年金関係者を対象として開催。実態調査から明らかになったオルタナティブ投資の実施状況について、日本と米国の年金基金間の比較を行うと共に、オルタナティブ

投資を実施している日本並びに北米における年金基金運用実態の報告を通じて、オルタナティブ投資のポイントについてパネル・ディスカッションを実施。

シンポジウム

2003—2004 年度は、以下 7 つのシンポジウムがコロンビア・ビジネススクールにて開催されました。

自由貿易協定と日本の通商政策

2003 年 10 月 16 日、コロンビア大学の日本経済経営研究所ならびにジェラルド・カーチス教授がディレクターを務めるウェザーヘッド東アジア研究所トヨタ研究基金の共催で、元日本貿易振興会(JETRO)理事長で国際経済交流財団会長の畠山襄氏をメインスピーカーに迎え、自由貿易協定(FTA)と日本の通商政策を討議するシンポジウムを開催。当研究所研究副所長のワインスタイン教授がモデレーターを務め、現在は FTA 濫立状態にあり関税やルールごちゃまぜの「スパゲッティ・ボウル」状態で好ましくないとするジャグディシュ・バグワティ経済学教授と、多角的貿易交渉の行き詰まりと FTA 活用の可能性を指摘するメリット・ジェイノー国際経済法・国際関係教授を交え活発な議論がかわされました。



ジェラルド・カーチス教授



ロバート・ファロン氏

小泉政権：日本政治及び経済改革の将来

2003 年 11 月 13 日、ジェラルド・カーチス教授、The Oriental Economist 編集長のリチャード・カツツ氏、当研究所のバトリック所長をまじえ、11 月 9 日に実施された衆議院議員選挙結果に焦点をあて、日本政治および経済、また経済改革に与える影響などについて議論がかわされました。



ウィリアム・シードマン氏

<オルタナティブ・インベストメント・シンポジウム> 日本の赤字企業の構造改革

2003 年 11 月 20 日、ロースクールの日本法律研究所との共催で、ギトリン&カンパニー会長のリチャード・ギトリン氏と現在 CNBC-TV のチーフ・コメンテーターで元 FDIC(米連邦預金保険公社)会長、元 RTC(整理信託公社)会長のウィリアム・シードマン氏を招いて、日本の赤字企業のリストラクチャリングを討議するシンポジウムを開催。当研究所のバトリック所長がモデレーターを務め、専門研究員のロバート・ファロン氏と日本法律研究所所長のカーチス・ミルハウプト教授がディスカッションに加わりました。



リチャード・ギトリン氏

米ドル(Dollar)、人民元(Renminbi)、日本円(Yen) :D-R-Y な関係？

2004 年 1 月 29 日、当研究所と APEC 研究センターは、元財務官で一橋大学教授、内閣官房参与の黒田東彦氏をメインスピーカーに迎え、米ドル、人民元、日本円の関係を討議するシンポジウムを開催。黒田氏の講演にグレン・ハバード教授とリチャード・クラリダ教授のディスカッションが続きました。



黒田東彦氏

東アジアでの経済協力と地域主義に対する日本の視点

2004 年 2 月 12 日、当研究所とコロンビア大学 APEC 研究所との共催で、東京大学先端科学技術研究センター教授で次期日本経済学会会長の伊藤隆敏教授を招き、「東アジアでの経済協力と地域主義に対する日本の視点」を討議するシンポジウムを開催。日本経済経営研究所所長のヒュー・バトリック教授がコメンテーター、副所長デービッド・ワインスタイン教授がモデレーターを務め、活発な議論がかわされました。

<米国三井物産シンポジウム> 日本のコーポレートガバナンスの将来

2004 年 2 月 19 日、第五回米国三井物産シンポジウムがコロンビア・ビジネス・スクール日本経済経営研究所と米国三井物産財団との共催で行われました。コロンビアロースクール日本法律研究所所長カーティス・ミルハウプト教授、当研究所所長ヒュー・バトリック教授、外交問題評議会上級研究員エドワード・リンカーン博士が日本のコーポレートガバナンスの将来について講演、当研究所研究副所長ワインスタイン教授がモデレーターを務めました。



伊藤隆敏教授



2004年2月19日<米国三井物産シンポジウム> (左から) 平林伸一氏(米国三井物産財団 理事長)、バトリック教授、リンカーン博士、ミルハウプト教授、ワインスタイン教授

<オルタナティブ・インベストメント・シンポジウム>

ヘッジファンドとプライベートエクイティ: 日米機関投資家の視点から

2004年3月31日、コロンビア大学日本経済経営研究所は、ニューヨーク、マンハッタンの中タウンに位置するロータス・クラブにて、機関投資家のオルタナティブ投資に関するシンポジウムを、プライベートエクイティ投資、ヘッジファンド投資、基調演説の3部構成で開催しました。バージニア州職員退職年金基金のローレンス・コシャード博士と大同生命常務取締役の中本和樹氏のプレゼンテーションに、コロンビア・ビジネススクールのフランクリン・エドワーズ教授とAIGグローバル投資グループ、ロバート・ディスコロ氏のコメントが続きました。

レクチャー

日本経済経営研究所は、毎年、コロンビア・ビジネス・スクールの日本人学生を中心とした学生団体、日本ビジネス協会との共催で、著名な企業経営者並びに学識経験者を招き講演会を開催。

2003—2004年度は、以下4つの講演会が開催されました。(敬称略、講演順)

1. 最近の日本経済について
緒方四十郎
元日本開発銀行副総裁
2003年11月20日および2004年3月24日
2. サーベラスによるあおぞら銀行(旧日本債券信用銀行)買収とあおぞら銀行のこれからの戦略について
ルイス・フォスター
サーベラス・ジャパン社長
2003年9月24日
3. ヘッジファンド産業の発展: 市場のダイナミクスと日本での経験
阿部修平
スパークス・アセット・マネジメント投信株式会社 代表取締役社長
2003年10月1日
4. 不良不動産投資: モルガン・スタンレーのアジアでの経験
ゾニー・カルシー氏
モルガン・スタンレー証券マネージング・ディレクター
モルガン・スタンレー・リアルティ・アジア代表
2003年10月22日



阿部修平氏とマーク・メーソン教授

ウェザーヘッド東アジア研究所ブラウン・バッグ講演会シリーズ

日本経済経営研究所は、毎年、コロンビア大学ウェザーヘッド東アジア研究所とブラウン・バッグ講演会シリーズのうち、日本関係の講演会を共催しています。
以下は 2003—2004 年度の講演会の一部です。(敬称略、講演順)

2003 年

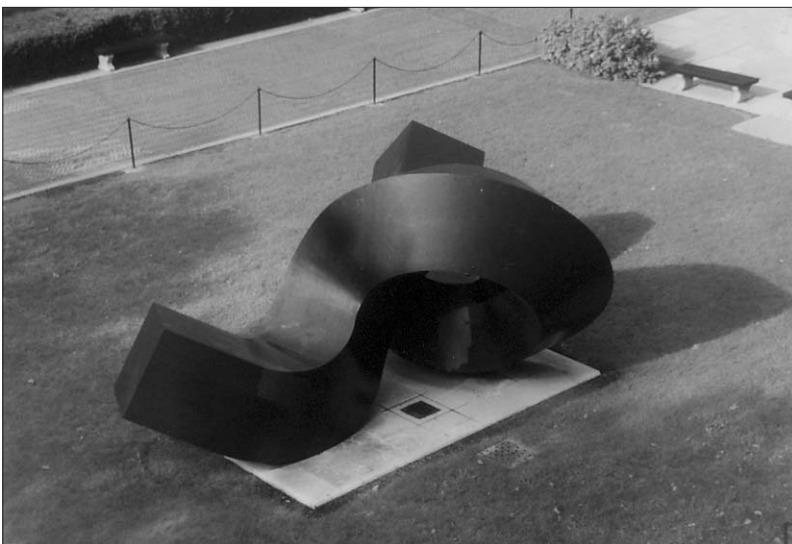
- 9月 日本経済改革:経済産業省の視点から
林 良造 元経済産業大臣官房長、元経済産業政策局長
- 9月 新生銀行:日本の金融改革の戦いの事例研究
ジリアン・テット 元ファイナンシャルタイムズ東京支局長
- 10月 日本の自由貿易協定交渉の是非
伊藤元重 東京大学経済学教授
- 11月 11月9日総選挙:軍配は誰に?
ジェラルド・カーチス コロンビア大学バーグス政治学教授
- 12月 日米安全保障関係の再定義
エヴァンス・リヴィア 米国国務省 ディレクター(対日外交)
- 12月 日米経済関係は新局面を迎えたか?
ジョン・ヌファー
アメリカ通商代表部 次官補代理

2004 年

- 2月 「アメリカ流」を売る:日本におけるシンガー・ミシン会社
アンドリュー・ゴードン ハーバード大学歴史学教授
- 4月 日本の金融政策
雨宮正佳 日本銀行 (2003-04 年 ウェザーヘッド東アジア研究所専門
研究員、日本経済経営研究所客員研究員)

奨学金プログラム

当研究所では、米国住友商事奨学金、三菱信託山室記念奨学財団などのコロンビア大学の大学院生・学部生を対象とした奨学金プログラムを通して、日本経済に関する研究や、日本への留学を支援、日本経済に興味のある次世代を育成しています。



Clement Meadmore's Curl, Columbia University

IV. 刊行物

日本経済経営研究所では、研究プロジェクトの出版を積極的に企画、支援しています。出版刊行物は、学術書に加え、会議・シンポジウム・講演会レポート、オナーショナル・ペーパーなどバラエティに富んでおります。コロンビア大学内外から、研究結果を広く配布することで、日本のビジネス及びアジア太平洋経済関係の理解促進に貢献しています。

2003—2004 年度における出版刊行物は 58 ページをご覧ください。

メモワール・オブ・ア・トラストバスター

当研究所上級研究員であるバトリシア・クワヤマ博士は、エレノア・ハドリー博士との共同作業を経て、2003 年に“メモワール・オブ・ア・トラストバスター”を出版しました。本書は、ハドリー博士が戦後日本の解体、独占禁止法、および企業集中の解消に関する米国の政策策定において果たした役割をつづった個人史で、当研究所ではハドリー博士の執筆作業を援助するための特別助成金を獲得しました。本書は 2004 年夏に邦訳が出版される予定です。

V. その他の支援活動

PAFTAD (太平洋貿易開発会議、Pacific Trade and Development Conference)

日本経済経営研究所は PAFTAD 駐米連絡事務所を兼ねており、オーストラリア国立大学の PAFTAD 事務局と提携しています。1968 年の設立以来、PAFTAD は計 29 回の会議を開催してきました。「Reshaping the Asia Pacific Economic Order」と題された第 29 回 PAFTAD は、2003 年 9 月にジャカルタで開催されました。

PECC (太平洋経済協力会議、Pacific Economic Cooperation Council)

PECC は、1980 年、PAFTAD で主導的役割を果たしてきたオーストラリアのジョン・クロフォード卿と大来佐武郎氏によって創設されました。現在、25 名のアジア環太平洋諸国の研究者、ビジネスリーダー、政府関係者などが 2 年に一度集まり、政策関連のトピックを討議しています。ジェイノー教授およびパトリック教授がメンバーとして参加、パトリック教授は PECC 理事も務めています。

APEC 研究センター

パトリック教授とジェイノー教授が共同所長を務める APEC 研究センターは、米国国務省の要請により 1994 年に創設され、日本経済経営研究所とウェザーヘッド東アジア研究所により共同運営されています。APEC 研究センターに関して詳しくは <http://www.columbia.edu/cu/business/apec> をご覧ください。

JES (日本経済セミナー、Japan Economic Seminar)

JES は、1966 年にコロンビア大学のジェームス・ナカムラ教授、エール大学教授職にあったパトリック教授、ハーバード大学のヘンリー・ロソヴスキー教授によって、日本経済専門家による大学間フォーラム(公開討論の場)として創設されました。日本経済経営研究所は、ウェザーヘッド東アジア研究所とジョージワシントン大学と共同で、年 4 回フォーラムを開催しています。

The U.S.-Japan Discussion Group (日米ディスカッショングループ)

少人数の会合を年 4 回開催。ニューヨーク周辺の日米のビジネスリーダーを対象に、日米のビジネス、経済、金融、および政治問題を討議する場を提供しています。2003-04 年度には、パトリック教授と米国住友商社社長西條温氏が討議をリード、コロンビア大学からはメリット・ジェイノー教授、カーチス・ミルハウプト教授、ディビッド・ワインスタイン教授が参加しました。

日本金融システム・ディスカッショングループ

日本金融システムの専門家で作られており、年 5-6 回会合を開いています。当研究所教授陣のバトリック教授、ミルハウプト教授、ワインスタイン教授に加え、JP モルガン・チェースのバトリシア・クワヤマ博士、エール大学政治学部のフランセス・ローゼンブルース教授が参加しています。

コロンビア大学学長、リー・ボリンジャー氏の訪日

2004 年 4 月、コロンビア大学創立 250 周年記念行事の一環としてリー・ボリンジャー学長が訪日。小泉首相との会談、早稲田大学での講演などを行い、コロンビア大学日本同窓会のレセプションにおいては 650 人以上が参加し、盛大に行われました。

コロンビア大学の学生団体・学生主催活動の支援

当研究所では、ビジネススクールの日本ビジネス協会、国際公共政策大学院(SIPA)の日本勉強会など学生による勉強会・懇談会の活動を指導・支援し、日本とコロンビア大学の学生コミュニティとの対話を深める手助けをしています。

コロンビア・ビジネス・スクール・ジャパン・スタディ・トリップ

当研究所は、毎年コロンビア・ビジネス・スクールの日本人学生が中心となり企画しているジャパン・スタディ・トリップを支援しています。ビジネス・スクールの教授と学生が日本各地を回り、政府・企業を訪問するこの旅行は本年度で 12 周年を迎えました。2004 年 3 月には、ビジネス・スクールの学生が、東京にてキッコーマン、新生銀行、ソニー、ルイ・ヴィトン ジャパンを見学、京都と箱根へも足を伸ばしました。

VI. 研究所の顔ぶれ

客員研究員・専門研究員

毎年、公共政策・ビジネス界などで活躍されている第一人者、日本、アジア・太平洋地域の研究者、政府・企業関係者が、客員研究員として当研究所の活動に参加しています。また、元日本開発銀行副総裁の緒方四十郎氏と NY ジャパン・ソサエティ役員で、韓国外換銀行の CEO を務める元 JP モーガン・チェイス国際金融サービス局長のロバート・ファロン氏が、専門研究員として、シンポジウムなどに参加しています。2003-2004 年度の客員研究員は以下の通りです。(敬称略・アイウエオ順)

雨宮 正佳	日本銀行
有賀 健	京都大学経済研究所
石坂 弘紀	経済産業省
楠本 剛之	三菱信託銀行
櫻井 良治	静岡大学
樽本 丈寿	三井住友海上火災保険株式会社
森田 宗男	財務省
王 忠毅	西南学院大学

国際諮問委員会

当研究所では国際諮問委員会を設け、日米の政治、経済、ビジネス関係の分野で著名な以下の方々に、当研究所の運営上重要な問題について助言を仰いでいます。(敬称略・アイウエオ順)

ロバート・インガソル	元米国駐日大使、元米国国務次官 元ジャパン・ソサエティ会長
内海 暎郎	三菱信託銀行株式会社 取締役会長
西條 温	米国住友商事会社 取締役社長

ジョセフ・トンプキンス	Saga Investment Co., Inc. 社長
小林 陽太郎	富士ゼロックス株式会社 取締役会長
福川 伸次	株式会社電通総研 代表取締役社長兼研究所長 元通産省事務次官
茂木 友三郎	キッコーマン株式会社 代表取締役社長

VII. 協賛

コーポレート・スポンサーシップ・プログラム

コーポレート・スポンサーシップ・プログラムは、当研究所の短期及び長期的な活動計画を実現するにあたり、必要な資金援助をいただくものです。より一層の充実を図ってゆきたいと考えております。日本企業の皆様から当研究所へのご寄付には、経団連海外事業活動関連協会を通じて、税金控除が適用されます。

現在、本プログラムにおける協賛企業は以下の通りです。

メジャー・コーポレート・スポンサー（年間寄付金額 50,000ドル以上）
米国住友商事会社

コーポレート・スポンサー・リーダー（年間寄付金額 25,000～49,999ドル）
キッコーマン 株式会社
Saga Investment Co., Inc.
タカタ 株式会社
株式会社 植屋

コーポレート・スポンサー（年間寄付金額 10,000～24,999ドル）
Caxton Associates, LLC
ニューヨーク日本商工会議所
J.P.モルガン・チェース・アンド・カンパニー
三菱信託銀行 株式会社
三井住友海上火災保険 株式会社
米国三井物産財団
東京電力 株式会社

個人スポンサー（年間個人寄付金額 10,000ドル～24,999ドル）
モルガン・スタンレー証券会社（東京）
マネージング・ディレクター兼チーフエコノミスト
ロバート・フェルドマン氏

ゼロン・グループ 代表取締役社長
増田茂氏

フレンド（年間寄付金額 ～9,999ドル）
住友化学工業 株式会社

“Solutions for the Japanese Economy”プログラムへの資金援助

現在、2003-2004年度に本プログラムにおける協賛企業は以下の通りです。

財団法人 東芝国際交流財団
独立行政法人 国際交流基金日米センター
The Itoh Foundation U.S.A.
The Weatherhead East Asian Institute Fund

オルタナティブ・インベストメント・プログラムへの資金援助

日本、アメリカ及びヨーロッパにおける主な企業に対し、金銭面での援助を積極的にお願ひしています。スポンサー企業には、様々な特典を提供しています。

現在、本プログラムにおける協賛企業は以下の通りです。

リード・コーポレート・スポンサー（3年にわたり毎年 100,000 ドル以上）

野村証券ホールディングス

大同生命保険株式会社

コーポレート・スポンサー（3年にわたり毎年 50,000 ドル）

株式会社新生銀行

その他の協賛団体・企業

経済産業省（2004-2005 年度のプログラムに関して、1,800 万円のご寄付）

JETRO 日本貿易振興機構

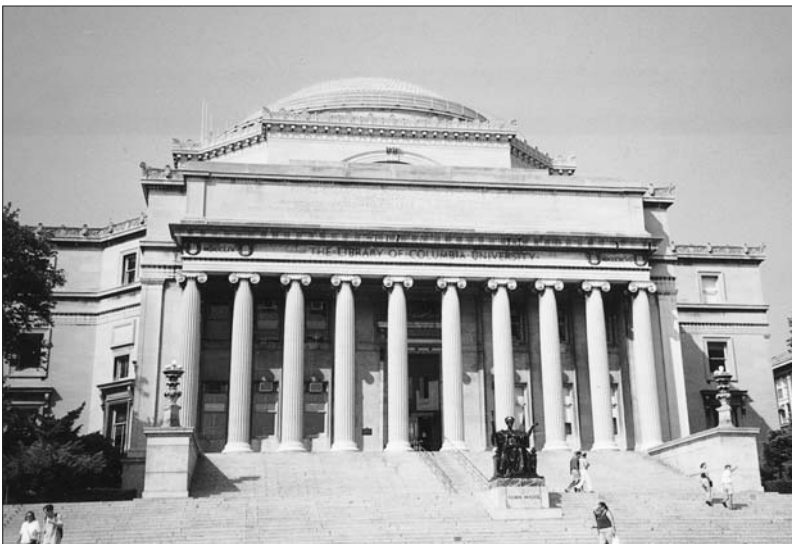
HypoVereinsbank

Caxton Associates, LLC

伊藤忠商事株式会社

その他の資金援助

専門研究員のロバート・ファロン氏のご尽力により、The Lone Star Corporation よりコロンビア・ビジネス・スクールに寄付いただいた 100,000 ドルの内、60,000 ドルを当研究所向け援助金に充当いただきました。



Low Library, Columbia University

Design/Production:
Columbia University
Office of Publications

Co-Editors:
Yvonne Thurman
Yoko Mochizuki
Emiko Mizumura

Photo Credits:
Joseph Pineiro
Columbia Photo Bureau

CENTER ON JAPANESE ECONOMY AND BUSINESS

Columbia Business School

321 Uris Hall, 3022 Broadway

New York, NY 10027-6902

Telephone: 212-854-3976

Fax: 212-678-6958

E-mail: cjeb@columbia.edu

Web site: <http://www.gsb.columbia.edu/japan>

CJEB Japan Representative Office

c/o Terumi Ohta

1-19-18-1003 Shibuya

Shibuya-ku, Tokyo 150-0002

Fax: 03-5467-6012