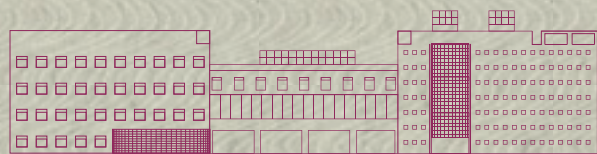


INSTITUTE OF  
DEVELOPING  
ECONOMIES

# Annual Report 2013

IDE-JETRO



The Institute of Developing Economies,  
Japan External Trade Organization

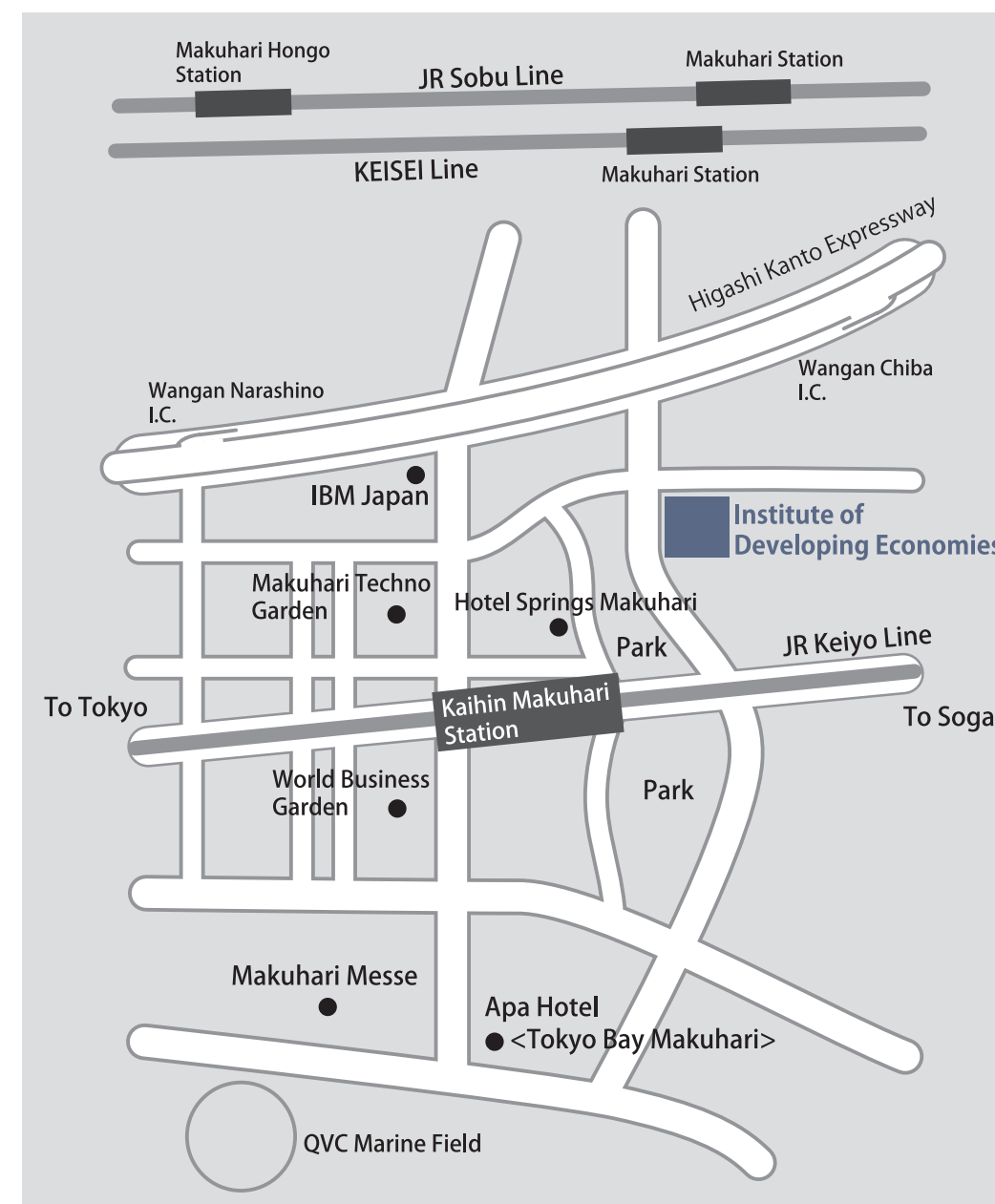
*The Institute of Developing Economies is a government-related institution, founded in 1958 to conduct basic and comprehensive studies on economic, political, and social issues of developing countries and regions. In the years since then, the Institute has been conducting research on Asia, the Middle East, Africa, Latin America, Oceania, and Eastern Europe, mainly through field surveys and empirical studies. The Institute has also gathered materials and information on these countries and regions, made them available to the public both domestically and outside Japan, and disseminated the findings of its surveys and researches. Since 1990, the Institute has been taking an active part in the education of trainees in the areas of economic and social development of developing countries and regions.*

*The Institute merged with the Japan External Trade Organization (JETRO) in July 1998. JETRO was reorganized into an incorporated administrative agency in October 2003. The Institute carries on all its activities within this newly organized body, working to strengthen its research activities.*



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# Annual Report of the 2013 fiscal year

Institute of Developing Economies,  
Japan External Trade Organization

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# **I. FY2012 Research Principles of the Institute of Developing Economies, Japan External Trade Organization (IDE-JETRO)**

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## **1. Fundamental Principles**

As a national think tank that conducts basic, comprehensive research studies which contribute to the expansion of trade and the promotion of economic cooperation with developing countries and regions in Asia and the rest of the world, the Institute of Developing Economies (IDE) performs research that forms the basis for Japan's trade policy and economic cooperation.

IDE conducts world-class research employing two research methods, one being area studies which involve trend analysis and structure analysis of developing countries and regions in Asia, the Middle East, Africa, and Central and South America, etc., with focus on the local area, and the other being development studies based on quantitative empirical analysis grounded in the leading theories. This places the institute as a leader in research on developing countries and enables it to offer policy makers and the industrial world research results founded on historical and structural analysis as well as quantitative analysis, etc., which has high added value as basic material for policy and business decisions.

Research studies are divided into three categories: (1) 'policy proposal research' which covers topics in a manner that is highly responsive to the needs of the policy authorities, (2) 'analytical research that contributes to policy proposals' which covers issues that anticipate the policy authorities' latent medium-term policy needs and regional social needs and (3) 'basic, comprehensive research that forms the basis for policy proposal research'. Moreover, the institute engages in international joint research with research facilities in various countries and international facilities.

The institute globally communicates the resultant research results, high value-added knowledge, information, statistical data and outlooks to provide basic material to governments for policy proposals and policy decisions, to promote understanding of developing countries' industry and people, and to maintain and improve the level of scholarship in the academic world. The information is communicated through (1) preparation of policy briefs, briefing activities for policy personnel and others, and IDE forums, (2) strengthening of Web communications, (3) holding of symposia, lectures, seminars, and workshops in Japan and overseas as well as presentations of papers at meetings of experts and gatherings of learned societies and (4) publications and peer-reviewed journals.

As a library that specializes in research on developing countries, the IDE Library continually collects, organizes and offers materials in multiple languages, from academic materials to government publications, statistical documents, newspapers and journals of various countries, and the library strives to expand its services for users.

The institute endeavors to maintain and expand the pool of researchers, their accumulated research and an enhanced research network. Together with leading the discussion on strengthening economic cooperation in Asia and other regions, the institute acts as a platform for exchanges concerning research on developing countries around the world by providing a place for policy discussions among foreign and Japanese researchers. Moreover, utilizing its abundant knowledge and research results on developing countries, the institute holds training programs to nurture specialists in development so they will be well versed in both theory and practical capabilities and to build networks of core administrative officials and researchers concerned with developing countries in the Asian region.

The institute strengthens its research management functions to plan and carry out strategic research projects based on needs and to quickly communicate the latest research results and information to those who will benefit in various sectors. In addition, we are actively engaging in efforts to boost the synergy effects by working to strengthen cooperation between our study sector and our project sector.

## **2. Action Principles**

### **(1) Research Projects**

The institute carries out (1) policy proposal research, (2) analytical research that contributes to policy

proposals and (3) basic, comprehensive research that forms the basis for policy proposal research. By focusing not only on trade and investment but also on diverse subjects that concern developing countries, such as political and social subjects, we endeavor to understand the overall picture in developing countries and regions.

(a) Policy proposal research

In collaboration with related ministries and agencies such as the Ministry of Economy, Trade and Industry as well as with the headquarters' departments, the institute engages in study of the below-mentioned research topics in a manner that is highly responsive to the needs of policy authorities. Together with contributing to Japan's trade policy, the institute actively offers policy proposals and business opportunities related to economic and social development to trading partners' governments and industrial circles.

In FY2012, the institute undertook two new research themes, 'analytical research on international trade from the perspective of added value', which aims to cooperate with international bodies and to disseminate the idea of added value trade, and 'the essence of "the trap of middle-income countries" and policy issues to overcome it' which explores the essence of the 'trap of middle-income countries' in ASEAN's developed countries and in South and Central American countries as well as ways to overcome it.

Moreover, as part of support for ERIA, the institute has started a Myanmar support project that carries out research which contributes to infrastructure development and industrial growth.

The Construction of an Asian Research Network (Subsidized)

ERIA/IDE-JETRO/UNIDO Joint Research Project "Green Growth in Asia"

"The Rise of China and India and the Implications for East Asia"

"Building an International Peace-keeping System in the Middle East and the South Asian Regions"

"Trade in Value-added: a New Metric of International Trade"

"How to Escape Middle Income Trap: Strategies toward High Income Economies"

etc.

(b) Analytical research that contributes to policy proposals

To play a part in 'contribution to strengthening economic cooperation in Asia, etc.', which is a core project of the third period medium-term plan, the institute is engaging in research topics that anticipate the policy authorities' latent medium-term policy needs and regional social needs. Specifically, the institute will continue to invest resources in the following three topics which are set as priority areas in the third period medium-term plan and to carry out research studies on them.

'Formation of the East Asia Economic Bloc and its Issues'

'Market and Industry Analysis of NIEs'

'Comparative Political and Economic Analysis and International Relations of Developing Countries'

Among these, the institute will continue multifaceted analysis of domestic and regional gaps that continue to exist, issues in the formation of the East Asia Economic Bloc such as international labor mobility, and growth strategies in East Asia where rapid economic integration is progressing institutionally and in the real world, for example in trade deregulation.

Furthermore, the institute will place priority on issues that are tied to economic growth in areas such as the environment and energy saving, social development, population movements as seen in the aging of society, and innovation which countries face in the process of shifting from developing countries to middle- and high-income countries.

The institute also categorizes problems and offers accurate analysis of issues that seriously affect politics in developing countries and international relations, such as political destabilization due to democratization in the Middle East, terrorism threats, and security and transformation of the international order due to the rise of

NIEs.

In our ordinary analysis research to be undertaken during the medium-term plan, we will promote the construction of the next-generation economic geographical simulation model (GSM) and actively utilize its analysis of effects of economic integration in East Asia, together with promoting existing research projects including international industry analysis and trend analysis in Asian countries. We will also implement analysis of long-term economic growth in Asia that will enable prediction of the East Asian market trends that includes household consumption by age bracket.

In addition, we will continue to do collaborative research utilizing the knowledge of international institutions as well as local governments, etc., and will respond broadly to the needs at various levels of government, industry, and the academic world. We will undertake research flexibly to respond swiftly to sudden emergencies of concern in Japan and overseas, as appropriate.

(c) Basic, comprehensive research that forms the basis for policy proposal research

With a grasp of the latest trends in academic research and the needs of industry, government, and academia and based on our understanding of the current conditions surrounding developing countries and regions, we implement research studies on the following two topics as the preferred themes for basic research:

‘The Search for the Basis of Sustained Economic Development’ (economy and environment)

With the economies of advanced countries in a slump, it is vital for the sake of the global economy that developing countries attain sustained economic growth. In regard to this type of sustainable growth, it is necessary to pursue multifaceted research concerning the basis that supports such growth, including farmers and companies which are the basic operators, access to infrastructure construction and the international distribution network, and responses to resource and environmental problems.

‘Outlook for Conflict Resolution and Construction of Stable Governments and Societies’ (government and society)

Among developing countries, while some countries are experiencing regime changes and social unrest that pose enormous issues in terms of sociopolitical stability, other countries face unconventional problems accompanying social development. So, it is necessary to pursue multifaceted research for the construction of stable governments and societies.

In examining these themes, we will actively focus on regions that are likely to attract increasing attention henceforth, such as the Mekong region and countries where research has been scant heretofore, and will implement pioneering research.

## (2) Communication and Dissemination of Research Results

We disseminate our results in response to need through publications, lectures, seminars, our website, and so forth, to all levels of society, including policy authorities, the business world, academic circles and experts, etc. Our specific policy is as follows.

(a) In continuation from the previous financial year, for the purpose of reflecting research results and the institute’s resources in policy making and business planning, we will place emphasis on the preparation of policy briefs. We will also hold IDE forums for persons who are influential in policy formation, such as core members of the government, major companies and the media, on themes related to trade policy and economic cooperation, etc., for bidirectional sharing of opinions.

(b) Bearing in mind the timeliness of themes and content, we will strengthen our website from the viewpoint of what is useful in policies and business, with emphasis on analytical methods and data with high added value. To widely disseminate research results, we plan to increase the accessible contents while improving website pages devoted to particular themes.

(c) Moreover, we will actively hold symposia and lectures, etc., in Japan and overseas, present papers at

meetings of experts and academic society meetings, engage in publication activities and submit papers to external peer-reviewed journals. Through seminars and lectures, we are responding to the needs of various sectors and regions in Japan and overseas, such as by holding a new summer lecture open to the public in Osaka. For holding lectures, etc., in Japan and overseas, we will strengthen our collaboration with JETRO to use their extensive network so that we can arrange lectures adaptively. Concurrently, we will also strengthen our collaboration between the headquarters and offices in Japan and overseas so that IDE researchers and headquarters' staff in charge of studies can work together as lecturers.

### (3) IDE Library

In addition to the academic materials that one would expect in a specialized library which plays a role as shared infrastructure for research on developing countries, the IDE Library collects, organizes and offers materials in multiple languages, including government publications, statistical documents, newspapers and journals of various countries, and the library strives to expand its services for users. The library is also building its collection of materials and information in electronic form and is actively transmitting information concerning library materials.

We are boosting the convenience of users in distant locations and those who cannot physically visit the library through a satellite installed in the JETRO Business Library, and we are improving usage of the collection by effectively transmitting information concerning collection materials. As part of this, while further enhancing the contents of the electronic library, we are promoting introduction of new materials and an alert service (for arrival of new journal issues and distribution of new materials and data).

In addition, we are endeavoring to increase activities with other research libraries by enhancing the system for bilateral cooperation, not only for inter-library loans of materials but also for holding exhibits and lectures in cooperation with other libraries.

### (4) Research Network and Human Resources Development

As part of the research study activities at the institute, we dispatch researchers to research institutions and universities in developing countries, and to research institutions for developing countries in Europe and the US to acquire an understanding of economic, social and political conditions in developing countries, to learn theories of economics, to boost the level of research, to build and expand the research network and to raise the name recognition of IDE. We also invite experts in research on development and on developing countries and regions with outstanding credentials as visiting research fellows and development experts, etc.

As part of the institute's intellectual contribution utilizing its abundant knowledge and research results concerning developing countries, we operate the IDE Advanced School (IDEAS) with the objective of producing Japanese development experts who are well trained in both theory and practical capabilities and with the objective of building a network with administrative institutions and public institutions in developing countries in the Asian region.

### (5) Securing Competitive Funds

For new funding sources to enrich the research of the institute, we are diversifying our sources by utilizing accumulated research and pools of researchers and securing competitive funds in the form of consignment studies from international institutions and government agencies, etc., as well as subsidized scientific research projects.

### (6) Strengthening the Research Management Function

The institute will strengthen its research management function so that it can plan and implement strategic research projects based on need and quickly transmit the latest research results to those who will benefit in various sectors.

(7) Strengthening Collaboration between the Research Departments and the Study and Project Departments

We will strengthen the collaboration between the institute and the study and project departments as well as overseas offices and will endeavor to boost the synergy effects by expanding research projects and dissemination of results. Moreover, we will further promote initiatives to increase the efficiency of management operations.

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## II. Review of Research Projects

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### 1. Policy Proposal Research

#### (1) Knowledge Networks and Trilateral Industrial Cooperation between Japan, China, and Korea

The China-Japan-Korea (CJK) joint research was carried out focusing on a free trade agreement (FTA) between the three countries until it was taken over by the official tripartite joint study on the CJK FTA in 2010. Since then, other relevant research topics have been selected by the three institutions that are involved in this joint research effort. In 2012, a study on the joint technical collaboration was taken up in succession to the study on the “knowledge network between the CJK countries”.

For the CJK countries facing the current global economic climate, the joint technical collaboration—in particular the one leading to common technical standards for products—is critically important. This is because competition between countries related to the standardization of products has become increasingly stiff. In this context, the European Union has carried out the Framework Program to promote joint technical collaboration in Europe and set up and spread common technical standards that were developed as a result of the joint technical collaboration effort. The CJK joint study then tried to work out an appropriate technical collaboration scheme for the three countries based on the experience of the Framework Program.

**Organizer:** KUROIWA Ikuo

**Co-researchers:** NABESHIMA Kaoru, TANAKA Kiyoyasu, NOMURA Takashi (Counsel, Nishimura & Asahi)

#### (2) Upgrading of the Guangdong Economy and Challenges for Japan-China Cooperation

Since the beginning of the "Policy of Reform and Opening Doors" in 1979 in China, due to the positive foreign capital inflow based on some preferential policies and generous supplies of cheap labor, Guangdong Province has maintained high economic growth rates mainly thanks to export-oriented labor-

intensive industry, and keeps playing the role of the engine in China's economic growth. In the 2000s, the advantage of labor-intensive industry for the Guangdong economy began to decrease, because of the shortage of migrant workers, the appreciation of the Chinese yuan, and restrictions on contract manufacturing. At the same time, the negative sides of development, such as inefficiency due to excessive capital investment, regional gaps, environmental degradation and so on, are being actualized and it is beginning to often be pointed out that the Guangdong economy faces the limit of the traditional patterns of economic development.

Under this situation, the People's Government of Guangdong Province has been working consistently on structural adjustment for industrial advancement and switching the development model, recognizing that the industrial advancement of the Guangdong economy must be necessary for the sustainable development of the whole Chinese economy. Since 2009, IDE-JETRO has carried out a collaboration research project for the industrial advancement of the Guangdong economy with the Development Research Center of Guangdong Province, based on the Memorandum for Business Cooperation between the People's Government of Guangdong Province and JETRO.

This year, we systematically organized and examined the formation and development of industrial clusters and industrial policy in Guangdong Province, mainly focusing on the manufacturing industry, such as electronics and automobiles, and the service industry, such as contents and logistics, based on requests from the People's Government of Guangdong Province. As a result, we made recommendations to the People's Government of Guangdong Province about the policies necessary to achieve industrial advancement, based on painstaking interviews with Japanese companies that have invested in Guangdong Province.

**Organizer:** MARUYA Toyojiro (Professor, Research Institute for Regional Economics, Fukui Prefectural University)

**Co-researchers:** MORINAGA Masahiro, DING Ke,



TSUKADA Hiroyuki (JETRO Guangzhou), HAMADA Akikazu (JETRO Guangzhou), MORI Romio (JETRO Guangzhou), NAKAZAWA Yoshiharu (Service Industry Div., Creative Industries Promotion Dpt., JETRO), KUCHIKI Akifumi (professor, College of Bioresource Sciences, NIHON University), SUNAMI, Atsushi (Associate Professor, National Graduate Institute for Policy Studies), YASUGI Osamu (Toyota Motor Sales & Marketing Corp.), IKEBE Ryo (Associate professor, Research Institute for Regional Economics, Fukui Prefectural University), XU Zhang (GRIPS)

### **(3) APEC Joint Study on Possible Pathways to a Free Trade Area of the Asia-Pacific (FTAAP)**

The expansions of Trans-Pacific Partnership (TPP) and Regional Comprehensive Economic Partnership (RCEP) have been identified as possible pathways to realize a Free Trade Area of Asia Pacific (FTAAP). There were a number of new developments in TPP, RCEP, and Asia Pacific Economic Cooperation (APEC), which served as an incubator for various regional initiatives in 2012.

On March 15, 2013, Japan formally announced it would join the TPP negotiations. There have already been 16 rounds of negotiations conducted and Japan needs to join the negotiations as soon as possible so that she will have some opportunity to influence the rules governing TPP.

In APEC, member economies agreed on the list of environmental goods and services (EGS) to be liberalized. The list contains 54 goods and services for which the tariff rates should be lowered to below 5% by 2015 and eliminate other non-tariff barriers.

In addition to liberalization in goods trade, more attention needs to be paid to the liberalization of services. In ASEAN, the ASEAN Framework Agreement on Services (AFAS) has been in place since 1995 to liberalize service trade within ASEAN. The current AFAS (package 8) achieves a relatively high degree of liberalization and this can be the core of the services liberalization effort in RCEP.

**Organizer:** HIRATSUKA Daisuke

**Co-researchers:** NABESHIMA Kaoru, ISHIDO Hikari (Associate Professor, Chiba University)

### **(4) ERIA/IDE-JETRO/UNIDO Joint Research Project “Green Growth in Asia”**

#### **① Impact of Product-related Environmental Regulations on the Diffusion of Trade and Technology through Supply Chains**

Product-related environmental regulations (PRERs), such as the RoHS (Restriction of Hazardous Substance in electrical and electronic equipment) directive and REACH (Registration, Evaluation, Authorization and Restriction of Chemicals) regulations, have been introduced in the EU. The PRERs require firms in various industries to undertake chemical management beyond borders. There may be thousands of firms participating in global supply chains (GSCs) to produce one final product across different countries. Cooperation of participating firms throughout GSCs is important to meet the PRERs by checking production or passing on chemical information in products. However, difficulties arise as the level of understanding on chemicals and technological skills to undertake proper management differ among firms. We conducted a survey of firms in Vietnam and Malaysia to examine what types of firms have the capacity to adapt the PRERs, how they adapted to them and what challenges exist. The data shows that firms in GSCs tend to be required to undertake tighter chemical management of products. Most firms are found to comply with the PRERs. But export firms and small and medium enterprises that do not belong to GSCs are not required so much to undertake chemical management. The policy that helps firms adapt to the PRERs needs to take into account the differences between firms in GSCs and those out of GSCs in order to provide efficient assistance.

**Organizer:** MICHIDA Etsuyo

**Co-researchers:** NABESHIMA Kaoru, UEKI Yasushi, ARIMURA Toshi (Waseda University, School of Political Science and Economics, Professor), IGUCHI Hakaru (Atomi University, Faculty of Management, Assistant Professor), OTSUKI Tsunehiro (Osaka School of International Public policy, Associate Professor), MANAGI Shunsuke (Graduate School of Environmental Studies, Tohoku University, Associate Professor)

## ② Creation of Green Demand: Empirical Industrial Organization Study on the Proliferation of Energy-efficient Appliances in Developing Nations in Asia and the Top Runner Mechanism in Japan

Substantial reduction of power consumption by improving quality of life is an ideal situation. In order to pursue this purpose, a combination of standards for energy efficiency of appliances and labeling on the appliances is a prevailing method; (1) the standard is a reference to energy efficiency of appliance; (2) the label is a tool to communicate information on the standard to consumers. Analysis of data on the air conditioner market in Japan, Thailand and China showed: power consumption of air conditioners in total is substantially reduced by top runner programs, but Thailand was not able to reduce total power consumption, though efficiency per unit is improved. The results give us the following implication: a standard and labeling have a certain effect on reducing the energy consumption of appliances used in the economy. Appropriate dynamics of the standard are necessary to effectively control energy consumption in the market.

**Organizer:** WATANABE Mariko

**Co-researchers:** KOJIMA Michikazu, KUBO Kensuke, KUSAKA Wakana (Overseas Research Department, JETRO), OHASHI Hiroshi (Faculty of Economics, University of Tokyo)

## ③ Study on the Required Factors and Policies to Facilitate the Development of Green Industries in the Asian Region

The experience in China points to the importance of the size of the market (both domestic and foreign), technology transfer from abroad, and "frugal innovation" at various stages of the supply chain for the development of competitive manufacturing activities in renewable energy.

At this point, it will be extremely difficult for ASEAN countries to nurture a renewable energy industry based on wind, solar, and geothermal technologies. However, in an effort to diffuse these types of renewable energies, ASEAN countries still have the room to grow their own firms in construction,

management, and maintenance of these facilities. Supportive policies to encourage the emergence of these types of firms may be desirable. In addition, local manufacturing and assembly of equipment through foreign direct investment is another possible avenue.

ASEAN countries have comparative advantages in terms of biomass. Supportive policies to diffuse biomass energy and to encourage the development of firms in these areas are promising. Even in this kind of initiative, the market size would be critical, and ASEAN countries should move more towards the integration of their energy market. While ambitious, archipelago countries do have additional opportunities in exploring ocean energy. The industry here is not yet well established, and there is still room for new firms. In addition, experience counts in this kind of engineering industry. Therefore, first (or early) mover advantage is seen to be great. Since technological requirements are not so high, this may be a promising area for some countries to explore further.

**Organizer:** HORII Nobuhiro (Associate professor, Kyushu University)

**Co-researchers:** NABESHIMA Kaoru, MARUKAWA Tomoo (Professor, Institute of Social Science, University of Tokyo)

## (5) The Rise of China and India and the Implications for East Asia

This project aims to analyze the influence of the "Rise of India" from various angles, and to contribute to the process of developing Japan's foreign policy regarding East Asian countries. The "Rise of India" started in the political field, and it was quite different from China. Recently, China has made plans to strengthen its military power, so East Asian countries have attached greater importance to India as an opponent to China. In the economic field, international trade and mutual investment between India and ASEAN countries grew rapidly under India's "Look-east policy" and AIFTA.

The main feature of India's foreign policy regarding China is "engagement and caution". From 2000 onwards, after the end of the Cold War, tensions between the two countries eased and they developed their economic relations, announcing the "strategic

cooperative partnership” in 2005. But recently, political exchanges between the two have increased as they look upon the other’s expansion and interests. The rise of China’s naval power threatens the interests of India, which stands as a rival to China in military fields.

Our conclusions are as follows. First, ASEAN countries and Japan will welcome the US as a “pivot to Asia”, and strengthen their relationship between India. Secondly, they will develop the FDI with India, aiming at her domestic market. Thirdly, they will start to readjust their relationship with China.

**Organizer:** ONISHI Yasuo

**Co-researchers:** REN Zhe, MURAYAMA Mayumi, SATO Yuri, ARAI Etsuyo, HISASUE Ryoichi, AIZAWA Nobuhiro, ESHO Hideki (Professor of Hosei University), TRAN Van Tu (Professor of Waseda University), ABE Jun’ichi (Senior researcher of Kazankai), HAMAMOTO Ryoichi (Professor of Center for East Asia Research, Akita International University), HORIMOTO Takenori (Professor of Kyoto University), TORII Takashi (Professor of Meiji University), LIM Jaehwan (Associate professor of Aoyama-gakuin Univ.), IKEBE Ryo (Associate professor of Fukui Prefectural University)

## **(6) Building an International Peace-keeping System in the Middle East and the South Asian Regions**

The so called Arab Spring in 2011 transformed the Middle East and brought unprecedented political change to the region. Yet, the collapse of certain authoritarian regimes in the region does not seem to be leading to a democratic future. Instead, we believe the region is going to face a series of severe crises on all levels for years to come. The major Middle Eastern powers, including Iran, Turkey and Israel, are expected to struggle in the coming years in order to adjust to the new realities created by the Arab upheavals. In this, our institute’s intensive research on the region is of vital importance in order for Japan to adjust to the changing realities in the Middle East.

Japan’s dependence on energy from the Middle East makes it imperative that the Japanese government should be fully aware of how to approach the latest developments in the Middle East. Therefore, we have arranged seven seminars and invited experts on the

region to discuss and analyze events in the Middle East. In addition, in collaboration with experts from various Japanese educational institutions, we have published a book in English edited by Institute of Developing Economies (IDE) senior researcher Suzuki Hitoshi. We hope this book, which consists of 13 chapters and covers main topics in the Middle East, North Africa and South Asia, will provide researchers and policy makers with some insights into the latest issues and events in the Middle East.

**Organizer:** SUZUKI Hitoshi

**Co-researchers:** DARWISHEH Housam, FUKUDA Sadashi, YAMADA Toshikazu, TSUCHIYA Ichiki, SAITO Jun, SHIMIZU Manabu (Professor, Teikyo University), IKEUCHI Satoshi (Assistant Professor, RCAST, University of Tokyo), Ali FERDOWSI (Professor and Chair, Notre Dame de Namur University)

## **(7) Investment Promotion Program for Africa**

South Africa has the largest number of people living with HIV/AIDS in the world. Despite their potential, little is known about the achievements and efficacy of HIV/AIDS programs in the corporate sector. In 2009 and 2010, we worked with the medical team of the leading Japanese manufacturing company in South Africa to promote the uptake of HIV tests among employees. We found:

1. Many employees expressed concern over the stigma of HIV/AIDS through discrimination and treatment methods.
2. The more connected an employee was to coworkers, the stronger one expressed the feeling that he/she does not want to be known to be getting tested or being seropositive.
3. Substantial heterogeneity exists in HIV test uptake rates, and African coloreds tended to reject the test offers more often than other ethnic groups.
4. After watching a DVD that showed the company’s support for treatment and positive aspects of being treated, the uptake rate increased.

All the results are derived from corporate information rarely found in previous literature.

**Organizer:** HIRANO Katsumi

**Co-researchers:** ITO Seiro, TSUKADA Kazunari, SATO Chizuko, KUDO Yuya, ICHIMURA Hidehiko

(University of Tokyo), SAWADA Yasuyuki (University of Tokyo), OHIRA Satoshi (Keio University), FUWA Nobuhiko (Waseda University), KUDAMATSU Masayuki (Stockholm University), ARIMOTO Hiroshi (Hitotsubashi University), HORI Narumi (St. Luke's College of Nursing), YAMAZAKI Jun'ichi (University of Tokyo)

## **(8) How to Escape Middle Income Trap: Strategies toward High Income Economies**

Costa Rica has developed successfully, yet may face the challenges associated with the middle-income trap. Costa Rica was able to attract foreign direct investment (FDI) in electronics and medical device industries. This was made possible because of what it offered: stable political conditions, capable government agencies, incentives, good geographical location, and availability of human capital. Costa Rica has been able to establish herself as an attractive investment location. Along with this reputation, the agglomeration of firms in medical devices seems to have a critical mass where the cluster is forming and this is strengthening the attractiveness of Costa Rica.

However, there are three weaknesses in which more attention is warranted. They are: infrastructure provision, availability of human capital, and lack of backward and forward linkages with indigenous firms. Except for investment and improvement in transport infrastructure, the latter two are typical challenges that are faced by middle-income countries. To escape the middle-income trap, Costa Rica needs to overcome this challenge. The continuous inflow of FDI coupled with broadening exporting activities by domestic firms are needed to deepen the development of support industries. Finally, the most important and most durable source of growth for Costa Rica would be continuing emphasis on human capital development.

**Organizer:** NABESHIMA Kaoru

**Co-researchers:** KUMAGAI Satoru, UEKI Yasushi, ITO Tadashi, TANAKA Kiyoyasu, KASHCHEEVA Mila

## **(9) Trade in value-added: a new metric of international trade**

The “trade in value-added” approach enables us to

redefine the relationship among countries of origin and destination in international trade. In contrast to the orthodox concept of trade balances based on foreign trade statistics, it focuses on the value-added contents of traded goods, and considers the contribution of countries to value-added generation at each stage of the production process of a given commodity.

The concept of “trade in value-added” is not necessarily new or surprising. It has already been studied widely at venues like the World Trade Organization. In practice, however, the idea was hardly realised due to the lack of appropriate methodology or database.

The international input-output table constructed by IDE-JETRO, offers a powerful analytical tool for this problem. It provides a detailed map of international transactions of goods and services, and thus enables us to trace the value-added generation process of every commodity in every country at every production stage. This study aims to synthesize the knowledge and expertise of the WTO and IDE-JETRO on international trade and the experience in constructing international input-output tables, and to contribute to the evaluation and analysis of “trade in value-added” in the field of international economics.

**Organizer:** INOMATA Satoshi

**Co-researchers:** MENG Bo, SHIBATA Tsubasa, Yaxiong ZHANG (Deputy Director-General, Economic Forecasting Department, China State Information Centre)

## **(10) The Construction of an Asian Research Network (Subsidized)**

### **① Economic Reforms in Myanmar: Pathways and Prospects**

To enable economic growth in Myanmar, deeper integration with the international economy is imperative, and a necessary step is to improve the investment climate for foreign capital. Challenges include upgrading the poor physical infrastructure such as the utilities supply as well as establishing an institutional framework.

The Government of Myanmar considers special economic zones (SEZs) as a cornerstone to improve



both the hard and soft infrastructure. On the one hand, it is easier to overcome the bottleneck of poor physical infrastructure by concentrating scarce resources on SEZs. On the other hand, in the midst of concerns about exploitation by foreign capital, it is politically feasible to provide favorable incentive schemes by limiting beneficiary foreign capital to those in the SEZs.

The impact of the SEZ scheme on establishing a better institutional framework depends on how SEZs initially attract foreign investment. The government can improve the institutional framework only through interaction with foreign investors.

**Organizers:** YAMADA Yasuhiro (JETRO Bangkok), Hank LIM (Senior Research Fellow, the Singapore Institute of International Affairs)

**Co-researchers:** KUBO Koji, ISHIDA Masami, KUDO Toshihiro, UMEZAKI So, Aung Min (Head of Research Department, Myanmar Marketing Research and Development Co., Ltd), Khin Thida Maw (Director, Research Department, Kanbawza Bank, Myanmar), VO Tri Thanh (Vice President, Central Institute for Economic Management, Vietnam), NGUYEN Anh Doung (Researcher, Central Institute for Economic Management, Vietnam), SUPANG Chantavanich (Director, Asian Research Center for Migration, Chulalongkorn University, Thailand), Premjai Vingsiriphisal (Senior Researcher, Asian Research Center for Migration, Chulalongkorn University, Thailand)

## ② A Study on Regional Development of Traiagle Areas in the Mekong Region

In the Greater Mekong Subregion (GMS), there are five triangle areas. The first one is the Cambodia-Laos-Vietnam Development Triangle Area and the second is the Emerald Triangle, composed of Cambodia, Laos and Thailand. The third one is the Golden Triangle, composed of Laos, Myanmar and Thailand, which used to be known as an area of drug trafficking. The fourth one is composed of China, Laos and Myanmar and is called the “Green Triangle” in China. The combined area of the Golden Triangle and the Green Triangle is called as the “Golden Quadrangle Area.” The fifth one is composed of China, Laos and Vietnam, but it has not come into

focus as yet. Looking at the provinces composing the triangular areas, it can be seen that the population density and GRP per capita are lower. As regards industries, agriculture and agro-processing such as cassava, coffee and natural rubber, mining, hydropower generation and tourism have been developed. For further development, improved transport infrastructure and cross-border institutions including transit facilities are necessary. However, it should be remembered that latex waste and acid-metal waste produced as by-products of natural rubber and metal-mining processing, respectively, are dangerous to health and the environment and coordination between the upstream and downstream parties to avoid flooding and drought will be necessary in the future regarding the development of hydropower plants, especially in the case of international rivers.

**Organizer:** ISHIDA Masami

**Co-researchers:** HATSUKANO Naomi, Sau Sisovanna (Office of the Council of Ministers, Cambodia), Vanthana Nolintha (National Economic Research Institute), NGUYEN Binh Ginag (Vietnam Academy of Social Sciences, Institute of World Economics and Politics), PHI Vinh Tuong (Vietnam Institute of Economics), Nucharee Supatn (Assumption University)

## ③ Deepening of Corporate Global Activities in East Asia

Due to the deepening of corporate activities regarding trade and investment, it has been important to establish region-wide free trade agreements (FTAs) like the Regional Comprehensive Economic Partnership in East Asia. On the trade side, some firms use multiple FTA schemes, use FTA schemes in both exporting and importing, or enjoy cumulation rules in FTA use. On the investment side, some multilateral enterprises (MNEs) establish overseas affiliates, establish regional headquarters (RHQ), expand research and development (R&D) activities in host countries, or have fiercer competition with Korean or Taiwanese MNEs. Against this backdrop, the aim of this project is to closely examine FTA and FDI issues in East Asia by employing firm-level statistics or existing questionnaire surveys. Specifically, in the analysis of FTA issues, this project uncovers the relative difficulty of FTA use between

exporting and importing, the relative difficulty between FTA use and exporting, the existence of the spaghetti bowl phenomena, and trade creation effects of cumulation rules. In the analysis of investment issues, on the other hand, we show the impacts of RHQ establishment on MNEs' overseas performance, MNEs' reallocation mechanics, the impacts of local inputs on overseas affiliates' performance, the impacts of local managers on overseas affiliates' performance, and the qualitative differences in MNEs' R&D activities between home and host countries.

**Organizer:** HAYAKAWA Kazunobu

**Co-researchers:** SHIINO Kohei (JETRO Singapore), TSUBOTA Kenmei, MATSUURA Toshiyuki (Assistant Professor, Keio Economic Observatory, Keio University), Chin-Hee HAHN (Associate Professor, Department of Economics, Gachon University, Korea), Han Sung KIM (Assistant Professor, Department of Economics, Ajou University, Korea), Young Joon JANG (Assistant Professor, Department of International Business and Trade, Kyung Hee University, Korea), Chih-Hai YANG (Professor and Director, Department of Economics, National Central University, Taiwan)

### **(11) The Experience of WTO Doha Development Agenda and its Impact of LDCs: For the Future of Development Friendly Trade Rules**

In the WTO public forum scheduled for the autumn of 2013 in Geneva, we are planning to present some of our research findings, including those on the following issues:

(1) As a result of "voices of people" research on how the people in LDCs feel and think about WTO and free trade, (2) development-oriented measures during a Doha Round period and their effects on the developing country.

For this purpose, we carried out preliminary research to collect "the voices of people" about the free trade system. We picked out Cambodia and Madagascar from LDCs in WTO member countries. Interviewees are 'ordinary' people such as street vendors, farmers and factory workers. We asked about their place of buying and selling of daily necessities, their perception of imported goods, export promotion and free trade at large, etc.

The majority answered that the "ordinary open markets" are the place they shop for daily necessities. But "supermarkets" began to appear depending on the items in Cambodian rural areas. In Madagascar, many say that "the cheaper the better" regardless of where they are produced.

As for the imported goods, China is the overwhelming number one in Africa, but the image of "the Chinese product" varies from person to person. On the one hand, there is the image of "cheap and nasty", but on the other hand some people say "the products made in China are more stylish than those domestically produced" or even appreciate the fact that "because cheap Chinese products arrived our life became more convenient".

About food quality, most people think domestic products are safe and tasty. Many people believe that "an industrialized country gets more benefit than a developing country if trade occurs between them". Such kind of understanding may not be valid in statistical analysis, but the fact that people perceive trade in this way should not be underestimated.

**Organizer:** SATO Hiroshi

**Co-researchers:** YANAI Akiko, ITO Tadashi, FUKUNISHI Takahiro, NAKAMURA Mari, HATSUKANO Naomi, OHNO Atsushi (Associate Professor, College of Economics, Ritsumeikan University), AKIHO Sayaka (University of Tsukuba), UESU Sayoko (National Graduate Institute for Policy Studies)

## **2. Analytical Research Contributing to Policy Proposals**

### **(1) Policy Issue Research**

#### **① Regional and Class Disparities in India: Future Direction for the Nation's Poorest State of Bihar**

The Indian economy, the second largest consumer market in the world, has enjoyed high economic growth in recent years. It is widely acknowledged in mainstream accounts that higher economic growth accompanies a reduction in the speed of poverty alleviation, a widening economic disparity among regions and social stratification.



In this project, we have focused on the most underdeveloped regions and on social stratification to re-examine the causes of underdeveloped regions' backwardness and of the obstacles to change, as well as to investigate the impact of higher economic growth and development in recent years on disparity, to describe dynamics of bureaucracy and politics at the grassroots level, and to explore migration and wellbeing in the places of origin and destination.

Our main findings are as follows: (1) Agricultural backwardness in underdeveloped regions is attributable to lack of new agriculture technologies rather than the conventional notion of institutional constraints related to land tenure system; (2) The effect of recent economic growth and development on the predominantly agrarian economy is still limited to particular sections of the states; (3) The processes of failure of land reforms as well as political and bureaucratic dynamism to deliver development programmes in rural areas, particularly to the underclasses; and (4) Outbound migration cannot drastically redress economic disparity and change the agrarian hierarchical structure in the short run, are documented so as to describe how particular regions and the underclasses lag behind.

**Organizer:** TSUJITA Yuko

**Co-researchers:** KONDO Norio, MINATO Kazuki, FUJITA Koichi (Kyoto University), ODA Hisaya (Ritsumeikan University), NAKAMIZO Kazuya (Kyoto University), DASGUPTA Chirashree (Ambedkar University, Delhi)

## ② Islam and political dissent: Studies and Comparisons from Asia and the Middle East

In parts of Asia and the Middle East, Islam is the moral and ideological fount of political dissent that offers a powerful appeal and a growing reach. There, diverse dissident Islamic forces operate under complex conditions, including the so-called 'War on Terror' and its threats to national sovereignty, and neoliberal global capitalism and its constraints on autonomous economic development. To varying degrees, these forces re-shape balances of power between Islamic and secular institutions, social movements and authoritarian regimes, and populism and oligarchic rule. Such complexities make it necessary not to treat

political dissent in the name of Islam as simply a 'religious phenomenon' or a manifestation of extremism, but to trace its origins and trajectories and evaluate its outcomes critically. This Project will conduct studies of evolving social bases, economic transformation and changing state institutions which influenced the course of Islamic political dissent in selected Asian and Middle-Eastern countries. Based on its thematic studies and case studies, the Project plans to develop a comparative understanding of Islam and dissent in different socio-political settings. In that way, the Project hopes to contribute to international academic debates on 'Islamization' and 'political Islam'.

In 2012-2013, the second (and final) year of the project, all eleven members of the project team presented their draft papers at a project workshop on Nov 7-8. On Nov 9, the team met to evaluate the workshop proceedings and discuss further responsibilities towards the completion of the project. Based on the discussions at the workshop and team meeting, it was confirmed that the Final Report would consist of the following sections: Political Economy (ROBISON), Organisational Vehicles (HADIZ), Algeria (COLAS), Egypt (DARWISHEH), Indonesia (WILSON), Iran (MATSUNAGA), Malaysia (KHOO), Pakistan (NAKANISHI), Tunisia (MARZOUKI), Morocco (WATANABE) and Turkey (WHITE). In the preparation of a book manuscript, the editors will write an introductory chapter.

**Organizers:** KHOO Boo Teik, Vedi HADIZ (Murdoch University, Professor)

**Co-researchers:** NAKANISHI Yoshihiro, DARWISHEH Housam, WATANABE Shoko, Richard ROBISON (Murdoch University, Professor), Ian WILSON (Murdoch University, Research Associate), Alejandro COLAS (University of London, Senior Lecturer), Nadia MARZOUKI (European University Institute, Jean Monet Fellow), MATSUNAGA Yasuyuki (Tokyo University of Foreign Studies, Associate Professor), Jenny Barbara WHITE (Boston University, Associate Professor)

## ③ The Linkage between Agriculture and Industry in India

After Japan passed the turning point from labour

surplus to labour shortage in the 1960s, wages in small and medium enterprises (SMEs) rose. The rise of wages encouraged innovation in SMEs. In India, unemployment and underemployment are still serious.

As industrialization in the apparel clusters like Ludhiana and Tiruppur has progressed, the demand for a labour force in factories has increased. Agricultural labourers got regular wage jobs in factories. Although wages are low, commuting to factories is attractive for ex-agricultural wage labourers due to income stability. At present, most of the agricultural labourers depend on non-farm employment in suburb villages of Ludhiana and Tiruppur. The availability of alternative employment improved the bargaining power of agricultural labourers.

In Ludhiana and Tiruppur, migrant workers flowed into the clusters from the same state and other states to meet the demand for a labour force in factories. The inflow of migrants could not catch up with the rapid increase in labour demand. As a result, labour shortages appeared in apparel factories in both clusters. New machinery has not been introduced to substitute for the labour force. Computer controlled knitting machines are spreading to produce specially designed and high-quality products.

**Organizer:** UCHIKAWA Shuji

**Co-researchers:** USAMI Yoshifumi (Senior Researcher, University of Tokyo), SUGIMOTO Daizo (Associate Professor, Faculty of Economics, Meijo University), FUJITA Koichi (Professor, Center for Southeast Asian Studies, Kyoto University), ISHIGAMI Etsuro (Professor, Faculty of Commerce, Fukuoka University), FUJIMORI Azusa (Assistant Professor, Graduate School of Economics, Osaka City University), Jesim Pais (Institute for Studies in Industrial Development), Kamal Vatta (Punjab Agricultural University), M. Jegadeesan (Tamil Nadu Agricultural University, Madurai)

#### ④ East Asian Integration and its Theoretical Basis

In recent years, economic integration in East Asia has been driven by free trade agreements (FTAs). Economic integration is crucially important not only for developing economies but also more mature

economies like Japan, where an aging society is most likely to contract the future domestic market. It is therefore understandable that many books relating to economic integration have been published in Japan. Although these books are helpful to understand how FTAs work and what benefits are derived from them, they lack the rigorous analytical framework necessary to explore the mechanics of economic integration. In this study, we aim to produce a textbook on economic integration in East Asia in order to diffuse information and knowledge among university and graduate students, researchers, policy makers, and so on. The textbook covers areas such as free trade agreement (institutional aspects), trade, investment, trade in services, labor movement, agriculture, monetary and financial integration, industrial location, regional disparities, infrastructure development, and technological transfer.

**Organizer:** KUROIWA Ikuo

**Co-researchers:** TANAKA Kiyoyasu, NABESHIMA Kaoru, KUMAGAI Satoru, MACHIKITA Tomohiro, WATANABE Yorizumi (Professor, Keio University), HONMA Masayoshi (Professor, University of Tokyo), KAWASAKI Kentaro (Associate professor, Toyo University), ITO Keiko (Associate professor, Senshu University), ISHIDO Hikari (Associate professor, Chiba University), SATO Hitoshi (Fellow, Research Institute of Economy, Trade, and Industry)

#### ⑤ Regional Financial Cooperation in Asia Revisited: Progress and Issues

In this research project, we analysed the achievements and present/future issues in ASEAN's developing economies (Indonesia, Malaysia, Philippines, Thailand, and Vietnam) with regard to the regional financial cooperation frameworks (Asian Bond Fund [ABF] and Asian Bond Market Initiative [ABMI]), established to minimize influences of future financial crises. Our main findings are: (a) under the ABMI and ABF, its basic measures to improve capital (bond) markets have been materialized; however, further improvements are necessary, namely, tax incentives, increasing market participants and listings and their diversity, and based on the five country studies, (b) in the past 15 years, the sovereign bond yield-curves were generally established, and at the

stage of expanding their secondary markets, (c) corporate bond markets are less developed or under construction, especially in need of demand/supply-side diversity of their participants. Thus, we recommend the following: (d) to shift the framework logic to one that regards bond-issuing as an alternative to corporate financing measures, and thus, (e) to make each domestic financial sector more liquid, the importance of the roles that banks play as market participants and financial intermediaries should be fully re-recognized.

**Organizer:** KASHIWABARA Chie

**Co-researchers:** HAMADA Miki, NGUYEN Quoc Hung (Associate Professor, School of Economics, Hyogo University), KINKYO Takuji (Professor, Graduate School of Economics, Kobe University), KUNIMUNE Kozo (Professor, School of Economics, Kinki University), MIENO Fumiharu (Associate Professor, Center for Southeast Asian Studies, Kyoto University), MIZUNO Kengo (President, Nomura Research Institute Thailand), NAKAGAWA Shinobu (General Manager, Hakodate Branch, Bank of Japan), NAKAGAWA Rika (Associate Professor, School of Economics, Toyo University)

## ⑥ Coexistence with the Aging Society in Developing Economies

This research project started to present a series of basic analyses on an international cooperative framework that may offset the negative effects of population aging, and also enable the enjoyment of benefits from the so-called "demographic dividends" that may exist in developing economies with an abundant working population relative to its volume of dependents, utilizing a multi-region, multi-sector endogenous growth model with overlapping generations in the framework of applied general equilibrium analysis (OLG/AGE). The analytical model has been developed and is working with a set of artificial data. On the other hand, numerous unexpected problems arose in the model building process and hampered the project team in achieving the primary purpose shown above. Since sharing the experience of facing the problem with model builders, as well as disclosing technical information, must be an important and valuable contribution to the OLG/AGE

community, those experiences and findings are noted as the final report.

**Organizer:** OIZUMI Keiichiro (Senior Economist, Economics Department, Japan Research Institute, Limited)

**Co-researchers:** OYAMADA Kazuhiko, SOMEYA Masakazu (Associate Professor, Faculty of Economics, Chiba Keizai University), ITAKURA Ken (Associate Professor, Faculty of Economics, Nagoya City University)

## ⑦ Internally Valid Microeconomic Development Analysis

When a policy maker develops a policy, one needs to have knowledge on what to expect from the measures taken. Any policy analysis has to first reveal the causal impacts of policy on outcomes of interest. It has been discussed elsewhere that honest efforts in performing the correct causal inference, or inference with internal validity, is less frequent than one would expect. There are potentially two methods to conduct internally valid inferences with high credibility:

1. Acknowledge the shortcomings of observational data and employ various estimation techniques to control for endogeneity (or omitted variables, measurement errors). This necessarily entails an extensive discussion on why one can use such techniques and can claim to have attained high credibility in inference.
2. Collect better data. This is possible if one can find a natural experiment or can conduct a randomized control trial (RCT).

The bottom line is that, one should never give up on internal validity, as it is the starting point of empirical knowledge production. It is essential for the researchers to consider the possible questions and available methods to conduct statistical inference with high credibility. The use of strong assumptions needs to be accompanied with explicit reservations on the conclusions. This is more about work ethics and there is no clear guideline on the choice of methods and sharpness of conclusions at the expense of credibility. Our project tries to address this moral issue with a series of papers we drafted.

**Organizer:** ITO Seiro

**Co-researchers:** KUDO Yuya, SHONCHOY Abu, TSUKADA Kazunari, ARIMOTO Yutaka (Hitotsubashi University), FUWA Nobuhiko (Waseda University), OHIRA Satoshi (Keio University)

### ⑧ **The Socioeconomic Impact of Natural Disasters and Chronic Poverty: Natural Experiment Approach with Household Panel Data based on the Floods in North-West Bangladesh**

Bangladesh is amongst the most densely populated countries in the world and where chronic poverty is widespread and acute. Poor people are found in both rural and urban areas throughout the country. Particularly dense pockets of ultra-poor (or extreme poor) can be found in many river island areas mainly in the northwest part of Bangladesh. River islands, which are locally known as “*char*”, are areas of land that regularly form from sediments and are eroded by the major rivers of Bangladesh.

To the best of our knowledge, no systematic evaluation has yet been conducted in Bangladesh using household-level data to estimate the extent of impact of floods on *char* dwellers. In our study, we will survey households on *chars* in northern Bangladesh.

Sampling:

1. *Char* villages: Given our focus on chars, we mainly concentrated on island chars. We have used Landsat images to identify the chars. We selected 80 *char* villages without an active NGO presence in finance and asset transfer programs.
2. Households: We used a participatory rural appraisal (PRA) mapping process to create a village map. We identified the ultra and moderate poor in the village. We have randomly selected 14 households from ultra-poor and 6 from moderate poor.

We have completed the survey and this data will serve as the baseline in the upcoming research project in FY2013 funded under Grants-in-Aid, the Ministry of Education, Culture, Sports, Science and Technology.

**Organizer:** SHONCHOY Abu

**Co-researcher:** ITO Seiro

### ⑨ **The Impact of Micro-Credit Repayment Rules on Seasonal Migration and Loan Repayment during the Agricultural Lean Season: A Randomised Experiment in Bangladesh**

The mismatch between credit repayments and income seasonality can create serious distortions. However, typically, Micro-Finance Institutes (MFIs) do not provide any adjustments during the period of income seasonality. For instance in northern Bangladesh, income and consumption downfalls during the time of the post-Aman rice plantation season are quite regular phenomenon, locally known as “*monga*”. Poor landless agricultural wage laborers suffer the most due to this seasonality and usually they face difficulty regulating their consumption. As a result, it is extremely difficult to arrange the regular weekly micro-credit loan repayments, which they have taken out during the productive part of the year. The reluctance for the MFIs to not provide any flexibility or seasonal adjustments during the period of *monga* is mainly for two reasons; 1) it might break the loan collection discipline and 2) it might increase the loan defaults. Using a field experiment through RCTs in northern Bangladesh, we randomly assigned seasonality adjusted flexible micro-credit and traditional rigid micro-credit to different borrowing groups. Our results suggest no statistically discernible differences among the treatment arms in case of default, repayment frequency or overdue amount, which is in favor of flexible design of micro-credit. However, we did not find any immediate positive impact of the repayment flexibility on food consumption during the lean season.

**Organizer:** SHONCHOY Abu

**Co-researchers:** YAMAGATA Tatsufumi, KUROSAKI Takashi (Professor, Institute of Economic Research, Hitotsubashi University), TSUKADA Kazunari

### ⑩ **Law and Migration Policies in East Asia**

The purpose of our research was to determine the feasibility of establishing a legal system relating to the movement of labor that would be shared among East Asian countries. We analyzed the laws and migration policies of several countries including China, Indonesia, the Philippines, Thailand, Vietnam and



Cambodia as well as regional and bilateral instruments in East Asia, with particular attention to non-skilled/low-skilled labourers, and considered the question: 1) To what extent have common practices been established? We found out the sending countries faced common challenges to protect their nationals abroad and send more skilled laborers; on the other hand, the receiving countries had certain legal restraints on foreign workers in terms of working conditions, and allowed limited access to their market, because migrant workers were considered just as a temporary workforce. The question 2) was whether the accumulation of bilateral agreements would contribute to developing a common platform for the labor market in East Asia. The answer is, rather, they adversely affect such development. Our finding is such bilateral agreements will be more effectively implemented by having a third party institution to observe the agreements by the parties, rather than creating a new multinational agreement.

**Organizer:** YAMADA Miwa

**Co-researchers:** HATSUKANO Naomi, ISHIZUKA Futaba, IMAIZUMI Shinya, KOBAYASHI Masayuki, SUZUKI Sanae, CHIBANA Izumi, OKUSHIMA Mika (Associate Professor, Faculty of International Studies, Tenri University)

## ⑪ Trade and Environment Issues from the Perspective of Developing Countries

This study aimed to find ways in which developing countries will be able to realize sustainable development on the basis of integrating the promotion of trade liberalization and the protection of the natural environment. In the first year of this study, it clarified the problems that developing countries are facing in trade-environment interface, and also discussed the merits and demerits of policies and measures regarding trade-environment issues. We examined five issues such as (i) development issues in global warming, (ii) transboundary movement of hazardous waste, (iii) forest products trade and sustainable forest management, (iv) the impact of product-related environmental regulations on the global supply chain, and (v) the impact of food safety standards on developing countries' exports. The second year, we considered cross-sectional issues in order to make clearer the situation where the

developing countries are placed, such as (i) compatibility of environmental subsidies with the WTO agreements, (ii) the impact of environment-related private standards, (iii) preferential treatment for developing countries, (iv) environmental provisions in regional trade agreements, and (v) capacity building on trade and environment. The rise of the emerging economies has caused differentiation among the developing countries, which makes it complicated for developing countries to realize sustainable development on the basis of integrating the promotion of trade liberalization and the protection of the natural environment.

**Organizer:** YANAI Akiko

**Co-researchers:** MICHIDA Etsuyo, KOJIMA Michikazu, IINO Aya (Associate Professor, Nihon University), SHIMAMOTO Mihoko (Professor, Hosei University), TAKAMURA Yukari (Professor, Nagoya University)

## ⑫ Study on the Current State of Manufacturing Industries in Bangladesh

Bangladesh, earlier perceived as a typical example of a stagnant economy, has now transformed into one of the potential growth centers following BRICs. In Japan, also, there has been a growing interest in Bangladesh as a destination of investments as well as a competitive source of imports. Behind this dramatic change were enormous contributions made by the manufacturing sector, especially, the readymade garment industry. Except for the readymade garment industry as an example of success, however, information regarding the individual manufacturing and related sectors, particularly, company-level activities, is still very limited in general and more so in readily available media. Against this backdrop, our project aims to garner basic information regarding the leading manufacturing and related sub-sectors, to delineate the issues individual sub-sectors face, and to provide resources on the basis of how we can foresee the potential of each sector. The sectors to be covered include textile and readymade garments, jute, leather, pharmaceuticals, light engineering, food processing, ICT and ICT-enabled services, ship building and ship breaking, and the retail sector. In addition, we would investigate the leading business groups that are increasingly demonstrating their prominence in the

economy. We have conducted a survey of the top 20 firms in each sector with support from the Metropolitan Chamber of Commerce and Industry, Dhaka. In 2012/13, as the first year of the two-year project, we have covered 5 sectors, namely, textile and readymade garment, jute, leather, pharmaceutical, and retail. Added in the interim report are papers analyzing the trend of Japanese investment in Bangladesh and statistics related to the manufacturing sector in Bangladesh.

**Organizer:** MURAYAMA Mayumi

**Co-researchers:** YAMAGATA Tatsufumi, SHONCHOY Abu, TSUBOTA Kenmei, SUZUKI Takashi (Representative, JETRO Dhaka), ANDO Yuji (Trainee, JETRO Dhaka)

### ⑬ The Role of Judges and Judicialization of Asia

In the last few decades, we have witnessed the growing influence of the judiciary toward the policy making and political process in Asia, as well as in other regions. The recent study has conceptualized such expansion of judicial review as “judicial activism” or “judicialization”. What has caused judicialization in Asia? What determines the pattern of judicialization? This study covers South Korea, Taiwan, Hong Kong, the Philippines, Indonesia, India, and Thailand. In some Asian countries, judicialization has emerged from the democratic movement and the series of institutional reforms. The reform includes the establishment of the Constitutional Courts modeled on continental European countries and the enactment of the Bill of Rights. In addition to institutional changes, we think the role of judges and the strategy of users of litigation also matter. Certain types of litigants try to make use of new procedures and opportunities that are newly opened for them in order to realize their interest and arguments. The background of judges varies among the courts. For example, in the Constitutional Courts of Korea and Taiwan, many judges are selected from law scholars and professionals other than career judges.

**Organizer:** IMAIZUMI Shinya

**Co-researchers:** CHIBANA Izumi, SUZUKI Ken (Professor, Hokkaido University School of Law),

KOKUBUN Noriko (Professor, University of Tsukuba Graduate School of Humanities and Social Sciences Law), ASANO Noriyuki (Associate Professor, Osaka Ohtani University), SHIMADA Yuzuru (Associate Professor, Nagoya University Graduate School of International Development)

## (2) Regular Analytical Research Projects

### ① Analysis of Current Affairs in Asia

Asia in 2012 was heavily affected by the China-US rivalry and the European financial crisis. The China-US rivalry had two major aspects: China’s growing interests in maritime claims paralleled by expansion of air and marine forces, and the strategic shift of the US armed forces towards Asia to check China’s rise in the region. The negative impact of the European financial crisis reached Asia. Several leading economies stayed stagnant, affected by the prolonged worldwide recession.

Our project analyzes political, economic and social developments in 2012 in the countries and regions of East Asia, Southeast Asia and South Asia. In addition to the country- and region-specific reports, we investigated the US policies toward Asia.

The final results of this research project have been published in the *Yearbook of Asian Affairs 2013* (in Japanese), which contains 24 reports of current analyses on Asian countries and regions.

**Organizer:** NAKAGAWA Masahiko

**Co-researchers:** ARAI Etsuyo, SATO Yuri, SASAKI Norihiro, IKEGAMI Hiroshi, SUZUKI Yurika, WATANABE Yuichi, OSADA Noriyuki, LYU Haksu, MATSUMOTO Haruka, HOKEN Hisatoshi, ISHIZUKA Futaba, KOJIN Emi, HATSUKANO Naomi, YAMADA Norihiko, FUNATSU Tsuruyo, AIZAWA Nobuhiro, CHIBANA Izumi, HISASUE Ryoichi, KAWAMURA Koichi, HIGASHIKATA Takayuki, OKAMOTO Ikuko, KONDO Norio, MAKINO Momoe, SUZUKI Hitoshi, HIRAIZUMI Hideki, OKUDA Satoru (Asia University), MINATO Kunio (Ritsumeikan University), MIFUNE Emi (Komazawa University), YUKAWA Taku (Japan Society for the Promotion of Science / University of California, Berkeley), SUZUKI Ayame (Fukuoka



Women's University), MIZUNO Kumiko (South-East Asian Researcher), SATO Hiroshi (South Asian Researcher), MIZUNO Masami (Nihon University), MURATA Koji (Doshisha University), INOUE Takeshi (Nanzan University)

## ② Econometric Modelling on Asia for Long-term Evaluation (EMALE) III

This research project attempts to provide an outlook regarding long-term growth prospects based on domestic demand expansion in Asian countries. Macro-econometric models, which give attention to demographic factors as determinants of consumption, are constructed, and alternative policy options for domestic demand expansion are discussed. Firstly, consumption functions with demographic variables are estimated for East Asian economies. Secondly, bilateral import functions for the purpose of construction of a trade link model are estimated for China, Japan, Korea, Taiwan and the United States, which will be included in each country model. Thirdly, prototype models for Korea and Taiwan are constructed, and some tests are conducted for model stability. Finally, all the datasets that are collected and processed for these topics are provided.

**Organizer:** UEMURA Jinichi,

**Co-researchers:** WATANABE Yuichi, OIZUMI Keiichiro (Senior Researcher, Japan Research Institute)

## ③ Compilation and Use of the 2005 Transnational Interregional Input-Output Tables for China, Japan and Korea

IDE-JETRO has already constructed and released the "2000 Transnational Inter-regional Input-Output Table between China and Japan." This time, the new data, "2005 Transnational Inter-regional Input-Output Table for China, Japan and Korea" will be constructed, using the basic framework of the newly released 2005 Asian International Input-Output Table. It is expected that the data will serve as a basic analytical tool for studying the evolution of cross-national production networks in East Asia on a region-to-region basis. The project has been conducted in close collaboration with the foreign institutions in charge of constructing their own national data: the State Information Center of

China and the Bank of Korea.

**Organizer:** INOMATA Satoshi

**Co-researchers:** MENG Bo, HASHIGUCHI Yoshihiro, SHIBATA Tsubasa, OKAMOTO Nobuhiro (Daito-bunka University), ARAI Sonoe (Ministry of Economy, Trade and Industry)

## ④ Long-term Forecast for Population and Industrial Clusters in East Asia using The Geographical Simulation Model: Study based on 2010 Economic Geographical Data (I)

The Geo-Economic Dataset for Asia (GEDA) covers 16 countries and regions in East Asia (i.e., ASEAN10, China, Japan, Korea, Taiwan, India, and Bangladesh) at the sub-national level and includes population, area, and GDP by industry for 2005. GEDA includes GDP by industry at the sub-national level for the following 26 sectors: Agriculture, Fishing and Forestry, Mining, Manufacturing (16 sectors), and Services (7 sectors). GDP is nominal and converted into US dollars using the average exchange rate between the local currency and US dollars in 2005, based on International Financial Statistics (IMF). The division of regions in GEDA follows the administrative divisions in each country. Except for Hong Kong, Macao, Singapore, and Brunei, GEDA adopts a primary-level administrative division, although secondary-level administrative divisions are adopted for China, India, Indonesia, Bangladesh, and Myanmar. Although GEDA was primarily created as a dataset for Geographical Simulation Model (IDE-GSM), it also suits general use and is a pioneering work to provide a unified geo-economic dataset for Asian countries at the sub-national level. We have strived to make GEDA as accurate as possible, while providing data for more regions and sectors. GEDA has been made public as an atlas, and the raw data is also partly downloadable.

**Organizer:** KUMAGAI Satoru

**Co-researchers:** TSUBOTA Kenmei, KEOLA Souknilanh, ISONO Ikumo (Economic Research Institute for ASEAN and East Asia (ERIA)), HAYAKAWA Kazunobu, GOKAN Toshitaka

### (3) Spot Research Projects

#### ① The 13th General Election in Malaysia: Issues, outcomes and implications

The 13th General Election (GE 13) in Malaysia is expected to be the country's most tensely contested election to date. Its outcome, uncertain given the present political flux, is potentially far-reaching for power restructuring. If the opposition coalition performs better than in 2008, there will be major changes to the political system, affecting the viability of a two-coalition system and raising implications for pluralist politics, regional balance of power and revisions of the policy regime. If the ruling coalition overcomes the opposition challenge in a dominant way, basic policies will be retained, but the existing ethnic framework of representation and power-sharing will come under considerable stress. As some parameters of electoral politics become infeasible, new sources of political activity, new alliances and demands for reform will combine to determine the outcome of GE 13. One issue is critically important – the conduct of GE 13 itself. The ruling coalition and the Electoral Commission insist that GE 13 will be fair and free, but the opposition coalition and a broad-based movement for electoral reforms demand crucial changes to procedures and rules before the election takes place. If the election results in a 'hung Parliament', the political system could enter a stage of considerable instability.

**Organizer:** KHOO Boo Teik

**Co-researchers:** NAKAMURA Masashi, SUZUKI Ayame, (Fukuoka Women's University, Japan)

#### ② The Era of Great Floods in Thailand: Lessons from 2011 and information on preventive measures

The floods that occurred in Thailand in 2011 were an unprecedented national crisis. In this book, the study team (composed of 3 natural scientists and 4 social scientists) takes up the following themes: (1) questions on the causes of the floods, (2) loss and damage in the industrial estates and airports, (3) provisions for floods and social reaction, (4) preventive measures after the floods. The study aims to deepen

the understanding on this historical event through detailed records and tries to provide the necessary background for understanding the effects of the 2011 Thailand floods.

**Organizer:** TAMADA Yoshifumi (Professor, Graduate School of Asian and African Area Studies, Kyoto University)

**Co-researchers:** FUNATSU Tsuruyo, HOSHIKAWA Keisuke (Center for Integrated Area Studies, Kyoto University), AIZAWA Nobuhiro, SUKEGAWA Seiya (JETRO Bangkok)

#### ③ The impact of intra-regional assistance on reshaping the regional order within the Middle East after the Arab Spring

After the Arab Spring, the regional order has shifted between individual countries as well as at the regional level. In some countries, new political actors have emerged as a result of regime change and tried to make new relationships with neighboring countries. Other countries that are relatively stable in the political realm have attempted to have an influence on the regional order.

In this research project, we focused on nine Middle Eastern countries and analyzed their economic diplomacy after the Arab Spring. The countries in question can be classified into the three following broad categories: (1) The countries such as Egypt, Turkey, and Qatar, which pursue aggressive diplomacy to stabilize the regional situation, (2) GCC countries, which have attempted to maintain the status quo of the regional order, and (3) Iran, which has tried to find ways to influence regional issues.

**Organizer:** TSUCHIYA Ichiki

**Co-researchers:** SAITO Jun, SATO Hiroshi, MATSUO Masaki (Associate Professor, Utsunomiya University), TSUJIGAMI Namie (Associate Professor, University of Tokyo), HORINUKI Koji (Researcher, The Institute of Energy Economics), IWASAKA Masamichi (Research Fellow, Japan Society for the Promotion of Science), SAKANASHI Sachi (Senior Analyst, The Institute of Energy Economics)

#### ④ Policy Changes and Transformation in Democratic South Africa

Since the apartheid regime ended, South Africa's presence in the global economic and political arena has increased, being now regarded as an emerging power. When we turn our eyes to the internal situation, however, there are huge challenges remaining for economic and social transformation. The aim of this research project was to explore the relationships between public policy and socio-economic transformation in South Africa since democratisation. In the final report, we traced the trajectories of several important public policies under the ANC government since its inception in 1994, and analysed what impact they have had on the South African economy and society. The policy areas that we covered include Black Economic Empowerment (BEE), social security, local government reform, trade policy, exchange control, and immigration policy. In our analysis, we deliberately incorporated regional and global perspectives, in addition to examining the domestic policy process.

The members of this research project were contributors to our previous book in Japanese, which was published in March 2013 (*Minami-afurika no Keizai-shakai-hen'yo [Economic and Social Transformation in Democratic South Africa]*, Kenkyu Soshu No. 604). Based on the book, in this project we updated information at the timing of the National Conference of the governing party, the African National Congress (ANC), in December 2012, and compiled a final report in English. The report will be printed in book form as well as published on the IDE website.

**Organizer:** MAKINO Kumiko

**Co-researchers:** SATO Chizuko, YANAI Akiko, AMINAKA Akiyo (Research Fellow, Japan Society for the Promotion of Science), NISHIURA Akiyo (Professor, Soka University), FUJIMOTO Yoshihiko (Hiroshima University)

#### ⑤ Venezuela's Presidential and Regional Elections in 2012

This study aimed to analyze the presidential and regional elections celebrated in Venezuela in 2012. The election was to determine whether Chavez could extend

his term in office to 20 years, and whether the country would deepen Chavez's socialist revolution, named the "Bolivarian Revolution". Chavez won his fourth victory in October, as did most of his candidates in the regional elections in December. However, Chavez had to confess that he had a cancer relapse only one and a half months after his victory. He passed away in March 2013, and a new election was called, in which Vice-President Maduro, Chavez's hand-picked successor, won to continue the 'revolution'.

The objective of this research project was to analyze the two important elections in 2012. Most of the chapters had been written before Chavez's death; however, the analysis, information, and perspectives that those chapters present are still relevant and important even after the drastic change in the situation. The new developments after Chavez's death, the new presidential election, and the inauguration of the Maduro government, were incorporated into the introduction.

The preliminary version of the report was made public on the IDE's website on March 13th in order to present the analysis as soon as possible after Chavez's death on March 5th. The final report is to be published as a topic report in August 2013.

**Organizer:** SAKAGUCHI Aki

**Co-researchers:** Thais Maingon (professor, CENDES-UCV), Jorge Díaz-Polanco (professor, CENDES-UCV), Héctor Briceño (professor, CENDES-UCV)

#### ⑥ China's new leadership: Transfer of power from Hu to Xu

Xi Jinping's government started during the 18th National Congress of the CPC in November 2012. This project intended to investigate the political, economic, and diplomatic problems that confront his government and to make a survey of them. We provided two chapters to investigate the urgent problems, the reform of state-owned enterprises and the social welfare system. This February, we released the interim report on our website. Afterwards, we continued to analyze the result of the first session of 12th People's Congress this March. We investigated personnel changes in the cabinet, economic policy and foreign policy. All results will be published as a situation analysis report (Josei-bunseki-repoto).

**Organizer:** ONISHI Yasuo

**Co-researchers:** SASAKI Norihiro, WATANABE Mariko, MATSUMOTO Haruka, ABE Junich (Kazankai Foundation), SAWADA Yukari (Professor, Tokyo University of Foreign Studies)

#### **(4) Collaboration Research Projects**

##### **① [Joint Study with TIER] Taiwan's Challenges to its Upgrade Metal and Machinery Industries and the Possibility of Cooperation with Japan's Industries**

The long-term economic stagnation and the appreciation of the Japanese yen since 2008 have forced Japanese firms to accelerate internationalization. However, Japanese small- and medium-sized enterprises (SMEs), who have transacted mainly with large domestic companies so far, are seriously lacking in experience and the resources necessary for internationalization although they still possess a number of advanced technologies. Taiwan's economy has sustained steady growth, accommodating itself in the changing global economy and exploiting the resources in mainland China in particular, while it requires more sophisticated technologies for the purpose of further upgrading. The mutual complementarity of advantages and problems has created the possibility of alliances between Japanese and Taiwanese firms.

In actual fact, the exchanges between them have been very active in recent years and lots of alliances have been achieved. Nevertheless, there are many challenges remaining for further promoting formation of alliances. Taiwanese firms should deepen their understanding of Japanese firms introducing excellent Japanese systems such as the Toyota Production System. Taiwan's government needs to strengthen the functions of portals for Japanese firms such as the Taiwan-Japan Industrial Collaboration Promotion Office. So that Japanese firms realize the goal of internationalization, it is essential for them to understand its significance and remain on the right path. Japanese central and local government as well as various organizations have supplied support for the SMEs' internationalization and should maintain and expand this support. Especially, it is expected to

intensify the support in the stage of negotiations for alliances, which are remarkably insufficient compared to other stages.

**Organizer:** SATO Yukihiro

**Co-researchers:** LIN Xinwu (Director, Research Division III, Taiwan Institute of Economic Research), WANG Muchun (Research Division III, TIER), CHENG Hanjung (Research Division III, TIER), MORINAGA Masahiro

##### **② [Institute of Developing Economies – Fukuoka Prefecture Joint Research Project FY2012] International Environmental Cooperation between Local Governments and the Perspectives of Environmental Business throughout Asia**

IDE-JETRO and Fukuoka Prefecture have conducted a joint research project that views the economy in Fukuoka from the perspective of Eastern Asian economic integration and discusses the growth strategy that reflects its local geographical characteristics since FY2010. Fukuoka Prefecture jointly proposed the “Green Asia International Strategic Comprehensive Special Zone” with Fukuoka City and Kitakyushu City, and this proposal was designated as one of the “International Strategic Comprehensive Special Zones” by the national government. Under this strategy, Fukuoka prefectural government has been promoting the “Local governments' environmental collaboration in Asia” project since 2011 to support the resolution of environmental problems in friendship areas in Asia based upon the experience and know-how obtained from overcoming industrial pollution. Therefore, in FY2012 joint research, IDE-JETRO and Fukuoka Prefecture analyzed what types of environmental cooperation would contribute to environmental business activities in Asia by companies in Fukuoka, and studied how local governments' environmental cooperation should function to realize its potential capacity in the field of the environment. The policy proposal of this project is summarized as follows: in order to promote international cooperation and to effectively support the international business development of companies in Fukuoka, first, it is important to understand the current situation regarding



environmental strategy and the division of the roles in the government of partner countries. Second, it is also necessary to explore their needs by giving them the opportunity to learn about Japanese technology and its social system.

**Organizer:** KOJIMA Michikazu

**Co-researchers:** IMAI Kenichi (Research Associate Professor, The International Centre for the Study of East Asian Development, Kitakyushu), AMANO Hiroyasu (Chief Researcher, Fukuoka Asian Urban Research Center), MAEDA Toshizo (Senior Researcher, Kitakyushu Urban Center, Institute for Global Environmental Strategies), MATSUMOTO Toru (Professor, Department of Life and Environmental Engineering, The University of Kitakyushu), ARAHATA Minoru (JETRO Fukuoka), ISHIGA Yasuyuki (JETRO Kitakyushu), SAKATA Shozo, SATO Hajime, YOSHIDA Ryuzo (Planning Counsellor, Environmental Policy Division, Environmental Department, Fukuoka Prefectural Government), ONIKI Yukio (Deputy Director, International Business & Tourism Promotion Division, Commerce and Industry Department, Fukuoka Prefectural Government)

### ③ [IDE-JETRO/UNIDO] Asian Trade Standards Compliance Report; Analysis on Trade Border Rejection Data in Developed Markets

In this collaborative research with UNIDO, IDE analyzed the trends in port rejections of exports from East Asian countries to the four important markets of US, EU, Japan, and Australia. To identify critical weak points in the export value chains, we conducted detailed case studies of frozen vegetables and eels from China, and pangasius and shrimp exports from Vietnam. Our research points out that the export activities in these countries are vertically integrating, which is the only way to ensure that exports from these countries can meet the required standards set by importing countries by putting in a rudimentary traceability system.

The implication is the bifurcation of these industries into export-oriented and domestic-oriented segments. The actions to improve quality of agricultural and food products should be initiated now so that even the

smallholder farmers can adjust their production processes to meet higher standards in both international and domestic markets. Without these efforts, smallholder farmers will be further left behind and could potentially lead to an increase in inequality. In addition, the presence of foreign direct investment provides great benefits to the development of local industry in the agriculture and food sector. Further liberalization of foreign direct investment in this sector should be pursued simultaneously.

**Organizer:** NABESHIMA Kaoru

**Co-researchers:** MICHIDA Etsuyo, YAMADA Nanae, MORI Romio (JETRO Guangzhou), OHTSUKI Tsunehiro (Professor, Department of International Public Policy, Osaka School of International Public Policy), SUZUKI Aya (Lecturer, Graduate School of Frontier Sciences, the University of Tokyo), VU Hoang Nam (Professor, Foreign Trade University Vietnam), YOSHIDA Noboru, Steffen KAESER (UNIDO Trade Capacity Building Branch, Industrial Development Officer), Thomas BERNHARDT (UNIDO Trade Capacity Building Branch, Industrial Development Officer)

## 3. Basic and Comprehensive Research

### (1) Rural Development in Vietnam: Transformation of the Rural Economy under Rapid Economic Growth

This study aims to analyze the characteristics of the transformation of the rural economy in Vietnam in the context of the nation's rapid economic growth. Although the *Doi Moi* reform has brought rapid industrialization to Vietnam, the country's economic growth still owes much to its export of agro-produce such as rice, coffee and cashew. Despite the fact that the value of agricultural production has decreased to below 20% of GDP, the number of rural inhabitants still counts for 70% of the total population. This study focuses in particular on the modernization of agricultural production and the emergence of non-agricultural economic activities in rural areas.

One of the main findings includes the fact that increased productivity of agricultural land since the 1990s has curbed the liquidity of property in the land market, due to the increased incentive for each farmer

to keep their agricultural land. Under such circumstance, farmers, instead of abandoning agricultural activities, have opted for measures to increase their income by, for example, investing in agricultural machinery to rent out to other farmers, or letting their young household members work in the industrial sector based in rural areas. In rural Vietnam, local enterprises in industrial parks that look for low-wage labor and informal businesses in “craft villages” have provided employment opportunities for those farmers.

**Organizer:** SAKATA Shozo

**Co-researchers:** TSUKADA Kazunari, KOJIN Emi, TSUJI Kazunari (Associate Professor, Faculty of Agriculture, Saga University), NIIMI Tatsuya (The Institute of Economic Research, Chuo University), TAKAHASHI Rui (Junior Associate Professor, School of Political Science and Economics, Tokai University), FUJIKURA Tetsuro (Graduate School of Arts and Sciences, University of Tokyo )

## **(2) Comparative Study on the Organizational Capabilities of Asian Rural Societies**

The self-organizing activities of local people are a prerequisite for community-based and participatory rural development. The research objective of this volume is identifying the local mechanisms through which rural people organize themselves for their development needs. We have innovated and applied an “organizational process approach”, a method in which we investigated the local social systems by examining the way of forming development organizations. Through case studies in seven Asian countries, we have found that the local society is a composition of locality groups (local administrative organizations and social organizations) each of which has institutions and resources that could be mobilized for organizational activities. The characteristics of each locality group and the composition affect the form of organizations and way of building organizations. We have presented some varieties of local social systems that may be useful for researchers and practitioners on rural development to understand their project sites.

**Organizer:** SHIGETOMI Shinichi

**Co-researchers:** OKAMOTO Ikuko, YAMADA Nanae, IWAI Misaki (Kanda University of International Studies), HAYAMA Atsuko (Kurume University), SHIMAGAMI Motoko (Kyoto University), Akina VENKATESWARLU (Senior Fellow, Centre for Economic and Social Studies, India)

## **(3) Business Management and Information Gathering of Textile and Apparel Enterprises in Middle Eastern Countries**

The research project aims to clarify how Egypt and Iran are coping with the government’s policy alteration and globalization, dealing with the textile and apparel industries of these countries as objects of our research.

Both countries are exposed to harsh competition with foreign goods at the moment, due to deregulation and liberalization. Even a pessimistic view of the textile industry’s ‘total demolition’ is often heard in Egypt and Iran. However, this view is a too-hasty conclusion. Newly rising apparel producing firms are found over a large area in Egypt. It is observed in Iran, too, that apparel firms have not been totally ‘culled’ and some of them succeed in surviving by switching business. We can see early signs of novel forms of business in both countries.

It can be inferred that a difference in historical circumstances between Egypt and Iran has a considerable effect on the development patterns of textile and apparel industries. In the Egyptian textile and apparel industry, which has grown under the strong protection of the state, there are many small firms that have just entered the business. These producing firms are already being corralled by the distributors in big cities. The firms might be integrated vertically and horizontally, just like the old industrial cluster centering on the public sector in Egypt.

Contrary to this in Iran, where the role of the public sector has been relatively small, business management know-how must be accumulated more in private firms. The apparel firms respond quickly to change in the economic environment, and secure manifold alternatives including switching business. Furthermore, some large top-ranking apparel firms even succeed in extending their market in neighboring countries, against intensifying competition. Although the management skill of each Iranian apparel firm seems to be outstanding compared to Egypt, the



possibility is slight that the producing firms will be extensively organized in Iran in the foreseeable future.

**Organizer:** IWASAKI Yoko

**Co-researchers:** KATO Hiroshi (Research Professor, Graduate School of Economics, Hitotsubashi University), KASHIWAGI Kenichi (Assistant Professor, The Alliance for Research on North Africa, University of Tsukuba), IWASAKI Erina (Assistant Professor, Faculty of Arts and Letters, Kyoritsu Women's University)

#### **(4) Dynamics of the Garment Industry in Low-income Countries following the MFA Phase-out**

The export-oriented garment industry has grown in low-income countries and provided employment opportunities to unskilled workers. While it is regarded as a non-innovative sector, which is destined to participate in the “race to the bottom”, much of it has, in fact, continued to grow in the liberalized market with significant increases in real wages. This project aims at demonstrating the dynamism of the garment industry and exploring its contribution to economies and poverty reduction through comparative case studies in seven low-income countries, namely, Bangladesh, Cambodia, Kenya, Madagascar, Myanmar, Pakistan and Vietnam.

The most significant finding is that the garment industry is dynamic: firms have made progress and product innovation is motivated by frequent firm turnover within the industry. Technological and managerial upgrading realized the growth of exports and increase of real wages in a competitive market. In Pakistan, garment firms are even challenging social norms that restrict female labor force participation. In contrast, such dynamism has not occurred in Kenya where wages for unskilled workers are the highest among the seven countries. High wages must be accompanied with skill and a good business environment, so that firms can upgrade product quality.

Garment industries are susceptible to intervention and to market access conditions. In Myanmar and Madagascar, restrictions on access to the US and EU markets significantly reduced garment exports and employment for unskilled workers. Without interventions, the garment industry contributes to

economic growth and poverty reduction in low-income countries.

**Organizer:** FUKUNISHI Takahiro

**Co-researchers:** MAKINO Momoe, ASUYAMA Yoko, GOTO Kenta (Associate Professor, Department of Economics, Kansai University), KUDO Toshihiro, YAMAGATA Tatsufumi

#### **(5) Analysis of 30 years of Industrial Development in China: An Industrial Organization Theoretical Approach**

China has achieved striking economic development since it initiated its open-door policy in 1978, becoming the world's second largest economy in 2010. Market structures within each of the various industries of China are extremely diverse compared to India, which has a population that is similar to China's, or compared to Japan, which China has recently surpassed in terms of total GDP. This fact implies that fixed costs, which constitute the cost of entering industries, are low but have not decreased, and that variable costs are low, thereby facilitating a longer stay in the market. Therefore, we explore fixed costs, variable costs, and other factors that have determined the developmental path in the past, and which can be used to predict the future development of industries in China. In regard to entry cost, we focus on technology and distribution channels. We also refer to food production, energy policy, and the labor market.

**Organizer:** WATANABE Mariko

**Co-researchers:** KIMURA Koichiro, DING Ke, HOKEN Hisatoshi, ASUYAMA Yoko, YAMAGUCHI Mami, MARUKAWA Tomoo (University of Tokyo), OHARA Moriki (Ryukoku University), HORII Nobuhiro (Kyushu University)

#### **(6) Impact of the Global Economy on Trade Trends in India**

Traditionally, it is said that India's economic growth has mainly been driven by domestic demand, though its dependence on foreign demand has steadily increased during the last few decades. Recognizing the importance of export expansion in the Indian economy, a large amount of the literature has empirically examined the causal relationship between

export expansion and economic growth in India. Although the direction of causality appears rather mixed, depending on the variables selected, sample periods, and empirical techniques, the more recent literature is likely to find support for the export-led growth hypothesis in India. Given these recent empirical findings, we focus on export growth as an engine of growth, and by estimating India's export demand function examine whether and to what extent India's export trend has been affected by external factors, particularly in the post-liberalization period. The empirical results indicate that all estimated coefficients are statistically significant with expected signs, and that the absolute value of the coefficient is the largest for the world price, followed by world income and domestic income. Our results reveal that price competitiveness has improved India's export market. Moreover, the statistically significant world income elasticity suggests that the global economic boom may contribute to an increase in India's exports, whereas the global recession has likely had an adverse impact on the Indian economy through its trade channel.

**Organizer:** INOUE Takeshi

### **(7) Modern Agribusiness and Land Property in Latin America**

This study looks at the property rights system for agricultural land as a determining factor of the agribusiness structure in Latin America. Property rights regarding land take various forms, such as open access, communal property, private property, and state property. Also, depending on the land rights in each country / region / commune, even global agribusiness enterprises have to adjust the production processes in their supply-chains according to each regional institution. In this study we will focus on the land for indigenous minority groups and ex-coca growers as the emerging issues of agricultural land policy in Latin America.

As a preliminary study for the two-year project, we reviewed the historical data as well as statistical data concerning the relevant topics of this project. One is the historical process of the land reform in each country, which has affected the present formation of the land tenure system. Statistical analyses of our study also provide regional variations for land tenure and agricultural systems.

**Organizer:** KITANO Koichi

**Co-researchers:** TANI Hiroshi (Sophia University), SANO Sayaka (Toyo University), SENDAI Yuichi (Sophia University), MURASE Sachiyo (Sophia University)

### **(8) Japanese and Chinese Models of Industrial Organization and Industrial Development: An Analysis of the Vietnamese Motorcycle Industry**

This research was an attempt to shed light on the processes and mechanisms by which developing country suppliers at the bottom of the technological ladder develop their firm-level capabilities over an extended period of time. To this end, this research engaged in a systematic empirical analysis of local suppliers' capability building in the Vietnamese motorcycle industry over the period of a decade since the late 1990s, applying original methodological apparatuses.

The key findings are two-fold. First, supplier learning was found to be an evolutionary process involving major leaps, slower progress, and/or even halted learning at different phases. Starting at very rudimentary levels, supplier learning entered a qualitatively new phase towards the end of the decade under investigation, with high-performing suppliers acquiring basic innovative levels of capabilities demanded by their customers and learning driven by mechanisms qualitatively different from previous phases. Second, supplier learning in the Vietnamese motorcycle industry was explained in terms of the transformation of two contrasting learning models, which was driven by shifting roles played by the suppliers and their lead firms.

In all, the above findings not only pointed to a much more dynamic picture and provided greater insight into local suppliers' capability building than that illustrated by previous research, but also made key theoretical and methodological contributions to the processes and mechanisms of developing country suppliers' learning about participating in varieties of value chains.

**Organizer:** FUJITA Mai

## (9) Conflict and Reconciliation in Africa and the Middle East

Reconciliation is undoubtedly the ultimate goal in the post-conflict peace-building process. Through our previous research project conducted in FY2009-2010, we had confirmed the analytical validity of the concept of “state formation,” which entails broad processes such as the establishment of state institutions, nation-building and national integration, and consolidation of a particular power structure and political economy, to deepen our understandings of conflicts. We relied consecutively on the same analytical concept – state formation – in this research project focusing on post-conflict reconciliation in Africa and the Middle East. By doing so, we expected to depict reconciliation as a multi-dimensional project concerning memory, justice, social integration, state institution, and democracy. During this year, we conducted case studies on the following eight countries: Burundi, Côte d’Ivoire, Iraq, Kenya, Rwanda, Somalia, South Africa and Syria. These countries had been selected to represent a transection of the diverse task of post-conflict reconciliation in terms of historical background, nature, and significance. The final report will be published in FY2013 by IDE.

**Organizer:** SATO Akira

**Co-researchers:** TSUDA Miwa, TAKEUCHI Shinichi, ENDO Mitsugi (Professor, University of Tokyo), AOYAMA Hiroyuki (Associate Professor, Tokyo University of Foreign Studies), ABE Toshihiro (Associate Professor, Otani University), YAMAO Dai (Lecturer, Kyushu University)

## (10) Costa Rica: Latin America’s Small Dragon, or the Region’s Unique Social Democracy?

The purpose of the project is to publish a book on Costa Rica’s democracy and development. Costa Rican society has been polarized since the introduction of neo-classic economic reforms in the 1980s. Yet, Costa Rica has successfully maintained its liberal democracy based on popular sovereignty, civil liberties, and a check-and-balance system among legislative, administrative and judicial powers. The people’s trust of their democracy has been fairly

strong in all classes, which guarantees a stable democratic system in Costa Rica. Costa Rica has maintained strong diplomatic and military relations with the US, and also in recent years, open and close economic and commercial relations with the country, principally on the free trade agreement.

Costa Rica’s generous social policy has been introduced and maintained by the social-democratic National Liberation Party (PLN). Institutionally the social policy has been transformed to be more neo-liberal, but the public budget based on it has been quite considerable. The PLN has especially emphasized the importance of public education, but recently acknowledged the necessity to strengthen secondary education, which had been neglected for several years for structural adjustment programs. The effect of industrial policy through foreign direct investments has been limited, but foreign investments have contributed to high economic growth. Although Costa Rica has much less poverty than most Latin American countries, income distribution has worsened. Public opinion on neo-classical economic policy has been sharply divided, and Costa Rica’s traditional politics based on consensus has not functioned well. However, the people’s strong trust in democracy would maintain stable democracy in a case of economic or social crisis, without inclining to authoritarian or populist regimes.

**Organizer:** YAMAOKA Kanako

**Co-researchers:** USAMI Koichi, YONEMURA Akio, MITSUO Hisayuki, KITANO Koichi, KOZAKI Tomomi (Senshu University), HISAMATSU Yoshiaki (Toyo University), OJIRI Kiwa (Tokyo Woman’s Christian University), MURAI Tomoko

## (11) Urbanization in China: Expansion, Instability and Social Management Mechanisms

The purpose of this project is to consider what kind of impact urbanization has given to politics in contemporary China. Our findings can be summarized by the three points below.

First, there are changes in the social space caused by urbanization. For a long period, *danwei* was a basic unit that constituted urban society in China. After 1990s, *danwei* became diversified and fragmented

through the collapse of the *danwei* system and the progress of urbanization. To manage a fragmented urban society, the *shequ* (community) appears as an autonomous institution. With strong support from government, the *shequ* plays important roles as a government agency rather than a self-governed institution. Social organizations based on self-interest or public interest began to challenge this situation.

Next, social stratification is the main reason to explain the rising number of social organizations. But there is another movement to recover equilibrium by those people who suffered damage during the process of urbanization. Even if a formal organization cannot be launched due to institutional restraint and other factors, it is a characteristic that society is going to affect policies through collective action.

Third, only a few social organizations can affect the policy process by the limits of institutional arrangements. However, opinion that represents public interest has a strong impact on the policy process. Meanwhile, the state tends to cope with various opinions from society by strengthening the social management function of the army, and reorganization of government agencies.

**Organizer:** AMAKO Satoshi (Waseda University)

**Co-researchers:** REN Zhe, Jaehwan LIM (Aoyama Gakuin University), Maosong WU (Keio University), Mei HUANG (University of Tsukuba)

## **(12) Family and Sexual Honor among the Urban Poor in Turkey**

In Turkey, the ideals of the Western modern family and romantic love were introduced to replace traditional kinship and sexual honor (*namus*) in the course of modernization reform. While the idea of the modern family has been widely accepted, especially among the middle and upper classes, it has not been well examined how people actually live with these seemingly conflicting ideas and accordingly reorganize their families. This study aims to examine how the concept of sexual honor as the value of kinship is interpreted, and reconcile with the ideal of the modern family among the urban poor, using the results of fieldwork conducted in the low-income district of Istanbul. The major findings are as follows. First, women tend to distinguish the meaning of protection of their honor by

their husbands and by their relatives. They accept the former as the expression of conjugal love, while finding the latter as ever more oppressive than before. Second, women now understand economic support by their husbands as the proof of love. These changes suggest the transformation of the concept of honor to the one that suits the ideal of the modern family.

**Organizer:** MURAKAMI Kaoru

## **(13) Economy of Cash Transfer Policies in Developing Countries**

Nowadays, cash transfer policies have come to be the main poverty alleviation policies in Asia, Africa, and Latin America. After the 1990s, Conditional Cash Transfer programs that require accomplishment of children's education, immunization programs and so on are widespread in Latin America and the conventional cash transfer programs are also seen in these areas. At the same time, the various types of discourse about Basic Income Grant are realized widely. Basic Income Grant is one of the ideas of social policy that insists every citizen should receive a certain amount of money only under the condition of being a citizen.

We try to analyze how certain types of ideas of cash transfer programs are transferred internationally, how they are adopted, and how they are realized as a program under certain institutions in this study program. This is an interim report of our research. We surveyed previous studies of cash transfer programs and explained their characteristics in this report. This research studied the cases of Poland, South Korea, Mexico, Brazil, Argentina, South Africa, and Ethiopia.

**Organizer:** USAMI Koichi

**Co-researchers:** MAKINO Kumiko, MIZUNO Junko, KODAMA Yuka, KONTA Ryohei, HATA Keiko (Professor, Waseda University), SENGOKU Manabu (Professor, Seinan Gakuin University)

## **(14) Political Participation in Latin America in the Era of "Post-neoliberalism"**

The purpose of this study group is to elucidate the reality of civic political participation that has been deployed in the Latin American 'post neoliberal period'. Neoliberal reforms in the 1980s and 1990s



have changed the state-society relationships, reduced the powers and resources of central government, and with the force of anti-neoliberal movements, expanded the horizons of political participation. We can recognize various forms of (new) civic political participation beyond the traditional representative democratic framework for political participation, such as civic participation in the budgeting and policy-making of local government, the establishment of a new forum for policy discussion in local sites, non-institutional political protests against government and its policies, and so on. Moreover, this new practice was one of the crucial factors that have led to 'the resurgence of the Latin American left' in recent years. Therefore, through this research project, we aim to explore and analyze the background, operation, level of institutionalization and political impact of these new forms of current political participation. Especially, in this year term, we have intensively discussed through the theoretical and methodological issues "What does 'post-neoliberal' mean?", "How should we define 'political participation'?", and so on.

**Organizer:** UETANI Naokatsu

**Co-researchers:** SAKAGUCHI Aki, IZUOKA Naoya (Keio University, Professor), SHINOZAKI Hideki (Keio University, Part-time Lecturer), FUNAKI Ritsuko (Chuo University, Associate Professor), MASUKATA Syuichiro (Sophia University, Doctor Course Student), MIYACHI Takahiro (Doshisha University, Assistant Professor)

### (15) Who Benefits? : The Class Impact of Social Security Reform in Turkey

The literature shows that the provision of public health services in advanced economies is fairly equal across income groups; in developing countries, however, lower income groups often lack access to public health services. To reduce this inequality several developing countries have introduced universal public health services, but few studies have examined the impact of the extended health insurance coverage on the poor. Turkey began to reform its health services in 2003 and introduced universal health insurance in 2008. Compared with other studies

on health system reform in developing countries, the longer time period of the Turkish reform allows the effect of sequential expansion of public health service coverage on the poor to be examined. This paper tested the interaction effect of a dummy variable for each year and the lower income dummy variable on satisfaction with public health services. The results of the ordered logit model analysis reveal that health service satisfaction in the lowest 30% income group increased more than that in the highest 70% income group as the reforms proceeded. The interactions between the year dummy and the lower income dummy were consistently positive from 2005 to 2011. The analysis also shows that the larger increase in satisfaction in the poor compared with the rich persisted even during the post-reform consolidation period (2009-2011), which suggests that their satisfaction increased not so much because they were impressed by the positive changes as because they appreciated the current level of service delivery.

**Organizer:** HAZAMA Yasushi

### (16) Political Determinants of Social Policy

Does democratization bring about greater redistribution of wealth in developing countries? If not, why not? This is the main question we seek to address in this research project. In order to address this question, we seek political factors determining social policy (redistributive policy), which is closely related with socioeconomic inequality. Our reviews on existing literature indicate there exists variation in redistribution in new democracies while democratic institutions have certain impacts on redistributive policy. We also found that previous studies imply that there is a missing link between redistribution and inequality, because increases in expenditures for redistribution do not necessarily reduce inequality especially in new democracies. We mainly consider that four political factors are the keys to explaining such variation in redistribution and the gap between redistribution and inequality. They are (1) state capacity, (2) voter's subjective belief and the multidimensionality of policy choice, (3) the gap between procedural political equality and substantive political equality, and (4) political market imperfections.



**Organizer:** KAWANAKA Takeshi

**Co-researchers:** HAZAMA Yasushi, NAKAMURA Masashi

### **(17) The Impact of Legal Reform on the Shop-lease Contract with Sar-qofli following the Iranian Revolution**

In today's Iran, there exists a form of lease contract called the "shop-lease contract with *sar-qofli*", which is peculiar to commercial districts. In this contract, which gives the hirer a strong usufructuary right that is supported by intangible property in business such as the shop's reputation, ownership by the lessor is in reality considerably restricted. The "shop-lease contract with *sar-qofli*" evolved from a fusion of the concept of "goodwill", which was brought into Iran by an American financial advisor in 1943, with customs that were traditional in Iran's business quarters. After the 1979 revolution, the Law of Lessors-Hirers Relationships, which gives a legal framework to the practice of "shop-lease contract with *sar-qofli*" was amended, since *foqahā* (Islamic jurists) and the Ministry of Justice regarded the system as it stood as problematic. This amendment removed the legal-cultural inconsistency between Islamic Law and modern law that existed in the legislation in question. The changes made it easier for lessors of shops to choose forms of lease contract other than the "shop-lease contract with *sar-qofli*". Nevertheless, the "shop-lease contract with *sar-qofli*", which is a system of long standing, remains the most widely used form of lease contract in Iran's property-for-lease market. By analyzing changes in the laws relevant to the leasing of real estate in Iran, this paper will provide an example of how a disparity between Iranian traditional custom and an Anglo-American value concept has affected Iranian society.

**Organizer:** IWASAKI Yoko

### **(18) The New Brazil: Transformations of the Nation since "The Miracle"**

The objective of this research project is to understand comprehensively the characteristics of the development and the "new" about "the new Brazil", which has again increased its influence in the world at the beginning of the 21st century. When we see the

Brazil of recent years as a nation or more specifically as a country or a system from a superior conception, it is possible to understand "the new Brazil" as a Brazil with new elements different from before owing to various turning points in various fields. It is not intended to deny the continuity and dependency that exist in the history and development process of a nation, however. "The new Brazil", which has increased its presence in the world of the early 21st century, can be understood as a transformation, accomplished as a result of the construction and maintenance of its institutions in different fields, with a continuous and consecutive process, based on its past experiences. And also, it can be understood as one of the processes of Brazil's challenges as it tries to adapt to a new changing environment.

**Organizer:** KONTA Ryohei

**Co-researchers:** NINOMIYA Yasushi (Deputy Director, Overseas Research Department, JETRO), HORISAKA Kotaro (Professor Emeritus, Sophia University), KOIKE Yoichi (Professor, College of Economics, Ritsumeikan University), HAMAGUCHI Nobuaki (Professor and Director, Research Institute for Economics and Business Administration, Kobe University), KOYASU Akiko (Associate Professor, Department of Luso-Brazilian Studies, Faculty of Foreign Studies, Sophia University), KAWAI Saori (Graduate Student, Graduate School of International Cooperation Studies, Kobe University)

### **(19) Political, Economic, and Social Issues in Latin America**

Latin American countries received great benefits from rising prices for primary products until the middle of 2008. However, this region suffered serious negative effects from the economic crisis that began in the US in 2008 and the European economic crisis that started in 2011. A lot of Latin American leftist governments formed in the 21st century, while criticizing neoliberal economic policies realized in the 1990s, are facing serious challenges created by these economic crises. This research project aims to publish *Latin America Report Vol. 29 No. 1 and No. 2* through which convey information on political, economic, and social issues in the Latin American region to students, business people, and government officials. The

specialists of each topic write the articles for this journal in an easy-to-understand format for a wide range of readers.

**Organizer:** USAMI Koichi

**Co-researchers:** SAKAGUCHI Aki, KITANO Koichi, YAMAOKA Kanako, KONTA Ryohei, UETANI Naokatsu, MURAI Tomoko, YONEMURA Akio

## (20) Methodology in Gender Analysis

While the importance of economic/social research from the gender point of view has been widely recognized among academic circles, it is still at the stage of searching for the appropriate methodology for gender analysis. Specifically, this research project examined literature related to a standpoint approach and discourse analysis. The first chapter examined the former: background, characteristics and critics of the standpoint approach, while the second chapter reviewed literature related to sexual honor (*namus*) in Turkey, mainly focusing on discourse analyses.

This research project is the preliminary one and the results will be utilized for the future research project related to gender relations.

The outcome of this project was published as a web report on the IDE homepage.

**Organizer:** KODAMA Yuka

**Co-researchers:** MURAKAMI Kaoru

## (21) Structural Changes in the Marketing of Agricultural Produce in Peru: The Role of Intermediaries in the Supply Chain

Since the decade of the 2000s, demand and supply for agricultural products for export and the national market are growing. This is due to socioeconomic changes in the country in recent years. Progress of urbanization, increase of population in principal cities, stable economic growth, improvement of income, etc., are raising demand for agricultural products not only in quantity, but also in quality.

Under these circumstances, agricultural distribution is also changing. In retail sales, the number of supermarkets is increasing. They are no longer stores only for rich people, but also for the emerging middle

class. They offer products with better quality than traditional local wet markets and grocery stores. In order to procure products that satisfy their clients, supermarkets increase their procurement not from the traditional wholesale market, which is an open and spot market, but from closed and coordinated supply chains in which sellers and buyers negotiate terms of sales in detail beforehand. We did case studies of potato, rice, chicken and avocado in Peru.

While there are changes in distribution channels, all actors in supply chains are not necessarily receiving benefits from these changes. While suppliers for supermarkets are adding value to merchandise and receiving rewards for their work, there are few changes at the producers' level. In the case of avocados, small and medium-scale producers do not even harvest their produce, thus they lose an opportunity to earn. In order to gain from changes in agricultural distribution, each actor in supply chains needs to adapt to changes of supply and demand and add value to their products.

**Organizer:** SHIMIZU Tatsuya

**Co-researchers:** David GONZALES (Associated Researcher, Peruvian Center for Social Studies (CEPES)), Gianmarco CHENG (Researcher, Peruvian Center for Social Studies (CEPES)), Gregory SCOTT (Professor, CENTRUM Business School of the Pontificia Universidad Católica del Perú (PUCP))

## (22) Exploring Informal Networks in Kazakhstan: A Multidimensional Approach

This project examined corruption in Kazakhstan from three different perspectives: on a micro-level concerning the everyday life of ordinary people; on a macro-level related to the politics and the economy of the state; and in the sphere of migration policy and foreign workers. The following is a summary of an interim report, which presents the results of our research activities conducted in FY2012. "Everyday Corruption in Kazakhstan: An Ethnographic Analysis of Informal Practices" (Natsuko OKA) explained the validity of qualitative methodology after referring to two major approaches in corruption studies. Then the report discussed the spread of corruption in post-independence Kazakhstan, institutionalization of corruption and the mechanism of its reproduction by

providing concrete examples obtained from fieldwork. It also examined the ways in which informal networks are being used and have changed from the Soviet era. "Informal Practices and Corruption in Regulation of Labour Migration in Kazakhstan" (Bhavna DAVE) analyzed the factors that caused labor migrants in Kazakhstan to work illegally, and illustrated the emergence of a shadow economy related to migration. It began with an analysis of the legal and administrative framework of official migration policies, and then detailed the practices of legalization and documentation on the ground by utilizing data from interviews with migrant workers. In "Corruption in Kazakhstan and the Quality of State Governance", Dosym SATPAYEV examined the scale of the shadow economy, the spheres in which corruption is most pervasive, and the influence of foreign investors. Next, the report pointed out the low level of transparency in state institutions, the strong influence of informal actors in the political process, and the gap between central and regional executive power as well as rivalry among and within ministries and agencies. Analyzing the legal and institutional framework of the government's anti-corruption policies and its concrete measures, the report contended that the reform of the entire political system is required in order to diminish the level of corruption.

**Organizer:** OKA Natsuko

**Co-researchers:** DAVE Bhavna (Senior Lecturer, School of Oriental and African Studies, the University of London), SATPAYEV Dosym (Director, Kazakhstan Risks Assessment Group)

### **(23) The Power Structure of China's State Development Reform Commission**

This is the first year of a two-year-term study group. An important contribution of this research project is its exploration of the role of China's State Development Reform Commission (SDRC) on economic decision making. This research begins with analyses that are macro in scope, historical changes of the institutional function and the executive members. Moreover, we examine the various functions of SDRC through some case studies on economic decision making, investment project, distribution policy, industry policy, and price policy. The results of the study were published in Japanese as a working paper.

**Organizer:** SASAKI Norihiro

**Co-researchers:** ONISHI Yasuo, HOSHINO Masahiro (Nanzan University), WATANABE Naoto (Kinki University)

### **(24) Theory of International Input-Output Analysis**

Institute of Developing Economies, JETRO (IDE-JETRO) has been engaged in Asian international input-output (I/O) projects for over four decades in collaboration with government agencies and research institutions in Asia. In these projects, many international I/O tables have been produced and various kinds of economic analyses using these I/O tables have been conducted.

This study was conducted to compile a book that provides comprehensive knowledge on international I/O analysis, by utilizing the wisdom on compilation and analyses that were accumulated in the projects. Theoretical and empirical investigations were made on the international I/O tables. The theoretical investigations identified the foundations of the international I/O model. Empirical analyses using the Asian international I/O tables such as measuring vertical international specialization indices, international spillovers and feedback, income multipliers, impacts of price changes, etc., revealed the features of the interdependent structures in the Asia-Pacific region. In addition, the compilation methodology of international I/O tables and the history of constructing national and international I/O tables in Asian countries with the list of tables published are also reported to serve as a reference for users (compilers, policy makers, practitioners, etc.).

**Organizer:** TAMAMURA Chiharu

**Co-researchers:** KUWAMORI Hiroshi, UCHIDA Yoko, SANO Takao (former professor at Gifu Shotoku Gakuen University)

### **(25) Economic Development and Technology Choice**

The world has seen remarkable progress in technology in recent times. Given this, there is a need for analysis of the institutional background of technology choice in a historical context in order to understand the mechanisms of economic development. This analysis should be conducted on industrial

sectors that are the driving forces of economic development. For example, the IT (Information Technology) industry has become huge in terms of production scale, demand and growth rate. There are two competing technologies in this industry. They are the System LSI technology, which is embodied in the labor force, and general-purpose technology, which is embodied in capital. We conducted empirical studies on economic development by investigating the relationship between technology choice and industrial development for each country and industry.

**Organizer:** GEMMA Masahiko (Professor, Faculty of Social Sciences, Waseda University)

**Co-researchers:** YOSHINO Hisao, OYAMADA Kazuhiko, YOKOTA Kazuhiko (Associate professor, School of Commerce, Waseda University), SHIMIZU Masayuki (Faculty of Law and Letters, Department of Comprehensive Social Systems Studies, University of the Ryukyus)

## **(26) Time series analysis of Myanmar's informal economy**

Myanmar used to practice a multiple exchange rate system, and the parallel market exchange rate was left untamed. In the past two decades, the Myanmar kyat exchange rate of the parallel market exhibited the sharpest fluctuations among Southeast Asian currencies in real terms. Since the move to a managed float regime in April 2012, the question has arisen whether exchange rate policies will be effective in stabilizing the real exchange rate. This paper investigates the sources of fluctuations of the real effective exchange rate by the structural vector autoregression (VAR) model of Blanchard and Quah (1989). Decomposition of the fluctuations into nominal and real shocks indicates that the impact of nominal shocks is small and diminishes quickly, implying that foreign exchange market interventions would not be effective without sterilization.

**Organizer:** KUBO Koji

## **(27) Verification of Changes in Sivakasi, India: The Town of Child Labor Elimination**

Sivakasi, India, was notorious as a place of intensive

child labor in the production of matches and fireworks; but now the reputation of the Sivakasi district has changed to that of a regional center of higher education. Many employment opportunities have been produced by taking advantage of the matches and fireworks industries for factory workers and the sideline of rural women. Through data collection conducted by a joint research body, Gandhigram Rural Institute, we verified changes in the attitudes of low-income households, considered to be the principal suppliers of child labor. There had been significant differences in the experience of child labour and relief from labour between the adult generation and the younger generation. This showed that considerable efforts to eliminate child labour had been conducted not only by local government, but also by employers' associations, school teachers, and local social organizations.

**Organizer:** NAKAMURA Mari

## **(28) Women's Marriage Migration and Old Age Insurance Strategy in Rural Africa**

In a traditional system of exogamous and patrilocal marriage prevalent in much of Sub-Saharan Africa, when she marries, a rural woman typically leaves her kin to reside with her husband living outside her natal village. Since a village that allows a widow to inherit her late husband's land can provide her with old age security, single females living outside the village are more likely to marry into the village. Using a natural experimental setting, provided by the longitudinal household panel data drawn from rural Tanzania for the period from 1991 to 2004, during which several villages that initially banned a widow's land inheritance removed this discrimination, this study provides evidence in support of this view, whereby altering a customary land inheritance rule in a village in favor of widows increased the probability of males marrying in that village. This finding suggests that providing rural women with old age protection (e.g., insurance, livelihood protection) has remarkable spatial and temporal welfare effects by influencing their decision to marry.

**Organizer:** KUDO Yuya



## **(29) Empirical Analysis of Competition and Price Determination in the Indian Pharmaceutical Market**

In this project, we evaluate the welfare implications of various policies and corporate strategies in the Indian pharmaceutical market. The policies we examine are compulsory licensing of patented products and price controls. The corporate strategies of interest include differential pricing and voluntary licensing. We focus on the oral anti-diabetic (OAD) drug segment, which includes a new class of molecules called DPP-4 inhibitors. All products belonging to this class are under patent protection in India. Their Indian prices are higher than those of other drugs in the same segment, but only one-fifth the price in the U.S. and other developed countries (i.e., the patent holders practice differential pricing). The patent holders also license the products out voluntarily to local manufacturers who have wider geographical reach in the Indian market. Our methodology involves the estimation of a discrete choice demand model using market data from IMS India. The model allows us to calculate consumer welfare, under the status quo as well as under counterfactual policy scenarios such as compulsory licensing whereby the government forcibly assigns the right to sell the patented product to local manufacturers. It also allows for the simulation of market outcomes under different pricing and licensing strategies by the patent holders. Our results indicate that differential pricing and local licensing together have a large positive impact on consumer welfare in the OAD market. We find that the assignment of compulsory licenses for DPP-4 inhibitors to local manufacturers generates an increase in consumer welfare, but the magnitude is small. We also simulate the welfare impact of freeing one of the molecules in the OAD segment from price control, and find it to be negative and large. These findings have significant implications for the policy choices faced by the Indian government.

**Organizer:** KUBO Kensuke

**Co-researchers:** Chirantan Chatterjee (Assistant Professor, Indian Institute of Management, Bangalore), Viswanath Pingali (Assistant Professor, Indian Institute of Management, Ahmedabad)

## **(30) Historical Meanings of Doha Development Round**

The Doha Development Agenda (DDA) of the WTO was originally aimed at supporting developing countries by the process of trade liberalization negotiations. However, as the possibility of a comprehensive agreement is fading away, industrialized and emerging countries are now trying to maximize their own economic profits through bilateral agreements such as free trade agreements (FTA). As a result, the least developed countries (LDCs) are left outside the negotiations and the peripheral status of LDCs seems to deepen in the international trade arena.

For LDCs, since their economic scales are small and their industrialization is still in an early stage, economic development cannot be accomplished automatically by joining the free trade mechanism. Therefore, LDCs need a scenario utilizing preferential conditions (S&D) or specialized assistance (Aid for Trade) in return for joining the WTO.

There have been few results on development issues during DDA negotiations. The YANAI report points out the reduction of the raw cotton subsidy in the US and "No tax, No quota" market access for LDCs fall into this category. The revision of the TRIPs agreement about pharmaceutical products access for infectious disease including HIV/AIDS is also of great value for developing countries.

On the other hand, industrialized, emerging countries and global companies adapt themselves to globalization of the economy and deepen regional integration; as a result, a trade network that assumed optimization of the global supply-chain has been formed. ONO's report suggests that the WTO cannot cope with such a fundamental change of global trade.

ITO's report points out that LDCs at the moment don't obtain a big profit from Japanese "no-tax, no quota" measures from statistics data. This suggests that an insufficient infrastructure and non-tariff barrier are the bottleneck to trade expansion for LDCs. However, the ONO report indicates that "Aid For Trade" such as infrastructure construction and capacity development doesn't result in trade increases in the developing country.

Turning back to the original spirit of DDA, which admitted global trade systems that don't exclude even



the LDCs, would be the sound base for a sustainable and free trade system, and the WTO should search for some way to assure the benefits for LDCs besides the single initial principal of the WTO.

**Organizer:** SATO Hiroshi

**Co-researchers:** YANAI Akiko, ITO Tadashi

### (31) Latecomer's Catch-up Revisited

We recognize the concept of “catch-up” as constituted of three layers: surficial phenomenon, patterns and mechanisms. The surficial phenomenon indicates per capita income of a developing country is approaching that of a developed country. The pattern includes deepening of industrial structures and reduction of technological gaps between preceding and pursuing economies. The mechanisms mean exploiting advantages of backwardness. Our research objective is to show how the patterns and mechanisms of catch-up bring about the decrease of income gaps, in other words, to analyze the second and third layers as backgrounds behind the first layer. For this purpose, we carried out industry- and firm-level research and achieved the following results:

First, regarding the latecomers' graduation from the catch-up processes, we discovered two important phenomena. One is that the industrial systems of the latecomers who completed catch-up are not necessarily identical with those of the developed countries. Another is that some latecomers face serious difficulties when graduation is close at hand. We also examined what causes those difficulties and how they can overcome the problems. Second, we found diversification of catch-up industrialization; moreover, sometimes, we even observed temporary deviation from it. Third, we looked into industrialization based on primary goods and concluded that the mechanism of this type of industrialization is different from that of catch-up industrialization, but equally promising under the present circumstances.

**Organizer:** SATO Yukihiro

**Co-researchers:** SATO Hajime, ITO Shingo (Unit Chief, China Unit, Mizuho Research Institute, Ltd.), MARUKAWA Tomoo (Professor, The University of Tokyo), OIKAWA Hiroshi (Professor, Kansai University), YOSHIOKA Hidemi (Associate

Professor, Kumamoto University)

### (32) Marine Transport and Harbor in Asia Region

The global volume of marine transport has greatly expanded since the 1990s, due to the division of the international labor system in manufacturing industries that has accompanied the progress of globalization. For example, some multinational enterprises have carried out foreign direct investment, and the recipient countries of this foreign direct investment have subsequently implemented various deregulations for these multinational enterprises. As a result, there is now a division of the international labor system in multinational enterprises, and the international physical distribution to support this division has also undergone great change. Such a movement has been particularly noticeable in Asia and the region's representative harbors, which have seen an increase in marine freight volume.

In view of such situation, in this project, we discussed and attempted to understand the present marine transportation position, and the development and the situation of a typical port of Asia. The volume of our project papers can be divided into the issues of marine transportation and Asia's marine policies and marine ports policy.

**Organizer:** IKEGAMI Hiroshi

**Co-researchers:** ONISHI Yasuo, OKADA Yuka (Tokai University), KUROKAWA Hisayuki (Tokyo University of Marine Science and Technology), JIANG Tian-Yong (Osaka City University), KOJIMA Suetoshi (Kokushikan University), HARUYAMA Toshihiro (Tokai University), LEE Jung-Hua (Kanagawa University)

### (33) International Reuse and Developing Countries

Used cars, secondhand home appliances, secondhand construction machinery and used clothes have been exported from developed countries to developing countries. While most of the secondhand goods have been traded as a business, a part of these items are sent to developing countries as donations. In addition, some of these goods have been re-manufactured, by dismantling them, washing the parts, and then

reassembling them.

The expansion of the international trade of secondhand goods can contribute positively to the environment, as increased reuse helps to reduce the environmental impact and conserve resources on a global level. The influx of used goods into developing countries also leads to the accumulation of capital and improves the living standards of consumers. However, it may also affect the development of each country's manufacturing industry, as well as possibly cause environmental issues such as the increase of waste. In this study, we investigate the flow of used goods such as used textiles, used automobiles and their parts, and used electronics, and its impact on the environmental and economic development of developing countries, mainly in Africa and Southeast Asia.

**Organizer:** KOJIMA Michikazu

**Co-researchers:** FUKUNISHI Takahiro, ASAZUMA Yutaka (Professor, Hokkai-Gakuen University), SASAKI So (Associate Professor, Chuo University), FUKUDA Tomoko (Assistant Professor, Chiba University), OGAWA Sayaka (Assistant Professor, National Museum of Ethnology)

### **(34) Social Response and Governance for Sustained Ecological Crisis**

In this fiscal year, each member has conducted his/her own research on each theme by each discipline, and intensive discussion on research plans and research results by all members has been conducted several times, sometimes inviting other scholars and researchers in IDE. Through discussion in research meetings, we come to understand "ecological crisis" and "sustainability" are two sides of the same coin. In writing an interim report at the end of this fiscal year, we have focused on minor areas and issues that previous studies have not focused on much in the context of development and the environment in Asia. The contents of the interim report in this fiscal year are as below. Chapter 1, "A frame for long-sustained ecological crisis: revisit of environmental governance in China". Chapter 2, "A modern history of the rescue of the Aral Sea: lessons of 'the worst environmental disaster' in the 20th century". Chapter 3, "Regeneration of rural communities and issues of declining

communities in Japan: a case of Kochi Prefecture". Chapter 4, "Sustainable agricultural development and water resource management in China: focusing on water shortages". Chapter 5, "Socialist nomadism in Mongolia: from viewpoints of haymaking". Chapter 6: "A technique for taming reindeer in Daxinanling Forest, China: the Evenki's livelihood and its background".

**Organizer:** OTSUKA Kenji

**Co-researchers:** YAMADA Nanae, CHIDA Tetsuro (Slavic Research Center, Hokkaido University), FUJITA Kaori (Kinki University), NAKAMURA Tomoko (Ibaraki Christian University), UDA Shuhei (Network for Education and Research on Asia, the University of Tokyo)

### **(35) Comparative Study of Formation Process of Resource and Environmental Management Policy Institutions**

This research project aimed at analyzing the formation process of the natural resource and environmental management policy system and institutions in the process of economic development, and clarifying the features and background of each country through international comparisons. Furthermore, this research project aimed at the creation of the analytical framework for understanding the formation mechanism of policy systems and institutions of each country, to build the basis of international cooperation in the field of natural resource and environmental management.

By using Paul Pierson's "Politics in Time" (2004), we argued on the implication of its arguments to natural resource and environment policy formation. Pierson (2004) claimed the importance of the historical viewpoint in social science, discussing interdisciplinarily with the background of knowledge across boundaries. It showed clearly that the theoretical foundation for introducing "time" is required for social science. Based on the micro-economic theory of the "increasing return to scale," it claimed that "path dependency" appeared more notably in the political process and policy formation process, which have no self-regulating process like the market economy, and emphasized the importance of a sequential order of the

events. Such a viewpoint may overlap with the position of the development studies that emphasize an importance of "backwardness" in the economic development process.

The framework should be effective as a viewpoint for analyzing the difficulty of forming a natural resource and environmental policy, as a "late-comer public policy," in developing countries with economic "backwardness." Based on the above theoretical examination, the example of the developing and developed countries was taken up, and the problem of the formation process of a natural resource and environmental management policy and institutional system in each country was analyzed.

**Organizer:** TERAOKA Tadayoshi

**Co-researchers:** FUNATSU Tsuruyo, OTSUKA Kenji, KITAGAWA Susumu (Lecturer, Yamanashi University), OIKAWA Hiroki (Associate Professor, Yokohama National University), SATO Jin (Associate Professor, University of Tokyo)

### **(36) Multinational Firms and the Globalization of Developing Countries**

This research project seeks to examine the globalization issues in developing countries by investigating the role of multinational firms. When governments in developing economies improve their investment environment through investment liberalization, falling investment barriers produce new investment opportunities for firms in a foreign country. To examine which foreign firms respond to the investment opportunities, we employed a simulation approach and found the characteristics of the firms that are likely to respond to such investment opportunities. In addition, we found that investment liberalization yields welfare gains for developing economies. Second, we focus on Cambodia as a case study to investigate the impact of globalization. Cambodia has received a large amount of ODA in road infrastructure. We analyzed the impact of such ODA disbursements on the location of foreign and domestic firms. We found some positive impacts of the ODA on their location, but the economic magnitude of the impact is relatively smaller than other infrastructures such as electricity. Finally, a rapid inflow of foreign investment has contributed to a spatial concentration of industrial activity in Cambodia. We

developed a Bayesian econometric framework to assess the impact of industrial agglomeration on productivity levels in Cambodia.

**Organizer:** TANAKA Kiyoyasu

**Co-researchers:** TSUBOTA Kenmei, HASHIGUCHI Yoshihiro, SHAWN ARITA (University of Hawaii at Manoa)

### **(37) Education of Persons with Disabilities in Developing Countries**

This research project focuses on the education of persons with disabilities in developing countries. This project will analyze the education law system and the situation of school attendance referring to the principles of the U.N. Convention for the Rights of Persons with Disabilities (CRPD) to find hindering problems regarding education of persons with disabilities. CRPD stipulates that persons with disabilities should not be excluded from the general education system, should have access to an inclusive, quality and free education, and should be provided reasonable accommodation recognising their individual needs. As the first year of the two-year project, it surveyed the laws, regulations and institutions related to special education and the actual situation of school attendance to find critical issues to be discussed next year. Although the project focuses on laws, the findings of this year reaffirmed the importance of the "principle" underlying the legislation and the "institution" that guarantee the realization of the principle. Issues such as the nominal implementation of inclusive education, so called "dumping", suspension and exemption of enrollment, and the position of Deaf Schools in the inclusive education policy were brought up in discussion. These will be further examined next year.

**Organizer:** KOBAYASHI Masayuki

**Co-researchers:** MORI Soya, ASANO Noriyuki (Professor, Osaka Ohtani University), KAWASHIMA Satoshi (Visiting Research Fellow, the University of Tokyo), KURODA Manabu (Associate Professor, Ritsumeikan University), SAI Takanori (DPI-Japan), NISHIZAWA Kikuo (Associate Professor, Kansai University)

### **(38) Theoretical and Methodological Exploration into the Problem of Youth Unemployment**

Youth unemployment has now become a serious concern across the world. Although almost all countries face the challenge of youth employment, there are substantial differences in the nature of the problems, between developed and developing countries, among regions, countries, and even within a country. It is due to differences in terms of economic structure, education systems, demographic composition, degree of human capital development, cultural value systems and other factors that construct the structure and functions of the labor market. In order to understand the multi-dimensional issue of youth unemployment, in this project, we examined relevant literature including that discussing the cases of Japan and other developed countries and tried to draw theoretical as well as methodological implications that could be explored further in the research projects of specific developing countries.

Mayumi Murayama in her paper 'A note on the facts related to youth employment in the world, developed countries, Japan and India' looked at the theoretical and methodological frameworks elaborated in some of the literature addressing youth employment issues in the world, OECD countries and Japan, and examined their applicability in the study of the Indian case.

The gist of Mari Nakamura's paper, 'Study on the relationship of youth employment and child labor' is as follows: While the issue of youth employment (15-24 years) has become a concern, child labor elimination with early cry among labor issues slowed down the pace of decline in the amount of child labor, such as an increase in the incidence of hazardous work of the worst forms of child labor among 15-17 year olds. Since the issues of child labour and youth employment are closely linked, it is important to address the two issues hand in hand. Various international initiatives and platforms, such as "Youth Employment Network" and "YouthSTATS" of UCW, are progressing to solve the issues more effectively and to explore the relationship between the two issues.

**Organizer:** MURAYAMA Mayumi

**Co-researcher:** NAKAMURA Mari

## **4.Funded Research**

### **(1) Asia Resource Circulation Policy Research (Ministry of the Environment)**

"Asia Resource Circulation Policy Research" is a project of the Ministry of the Environment, Japan, which aims to promote international collaborative research on 3R policy and to support the Regional 3R Forum in Asia through the dissemination of research results. The Institute of Global Environmental Strategies (IGES) with the Institute of Developing Economies made the proposal on the research project, which was adopted by the Ministry of the Environment, Japan. As the commissioned research work from IGES, the Institute of Developing Economies conduct a study on policy for development of recycling industries and infrastructure contributing to environmentally sound resource circulation. We reviewed the international argument on environmentally sound management in recycling industries, and conducted a field survey in the Mekong sub-region. IDE also contributed by making 3R Policy Indicators factsheets. In addition, we participated in the Asia 3R Regional Forum held in Hanoi, Vietnam in March 2013, and shared our studies with officials from Asian and Pacific Island countries.

**Organizer:** KOJIMA Michikazu

**Co-researchers:** SAKATA Shozo, HATSUKANO Naomi

## **5.Projects Funded by Grants-in-Aid for Scientific Research**

### **(1) Learning through Foreign Direct Investment in Sub-Saharan Africa: The Case of the Garment Industry in Madagascar**

Given the role of the manufacturing sector in leading economic growth and poverty alleviation, expectations for its growth have increased recently in Sub-Saharan Africa. Among the poor African countries, the most significant growth has been seen in the garment industry. Madagascar experienced the growth of garment exports for two decades until political turmoil emerged in 2009. In FY2012, we explored the impact



of the political turmoil and resulting suspension of duty-free access to the US market (AGOA) using original firm-level data and publicly accessible trade data. Identification of the effect of the political crisis is based on a comparison of exports from Madagascar and other exporters, while the effect of suspension of the AGOA is estimated through comparison of Madagascar's exports/exporters to the US with those to the EU market, which maintained duty-free access.

Difference-in-difference estimates indicated that the political turmoil had a weak adverse effect, while suspension of AGOA significantly reduced exports to the US by 80-85%. Furthermore, AGOA suspension increased the probability of factory closure by 58% for firms exporting to the US market, and accordingly, it also reduced employment of unskilled workers. Since closed factories employed women more intensively, about 90% of female employment loss was caused by firms exporting to the US. These results were presented to policy makers, industrial associations, and international organizations in Madagascar, and to the general public through the media.

**Organizer:** FUKUNISHI Takahiro

## **(2) The Location Choice of Multinational Firms and the Impacts of FDI on Performance at Home according to FDI Types**

The purpose of this project is to investigate the mechanics of outward foreign direct investment (FDI) according to FDI types. The existing studies have focused only on two traditional FDI types, i.e., horizontal FDI and vertical FDI. In contrast, this project includes the recently-proposed FDI types such as export-platform FDI and conducts more comprehensive studies on the mechanics of outward FDI. The research of this project in FY2009 revealed that there are various kinds of difficulties in comprehensive analysis that includes many FDI types. In particular, it is difficult to examine multiple FDI types and multiple countries simultaneously. Based on this finding, in FY2010, I examined the comprehensive analysis on the two traditional FDI types as a first step. Also, I conducted additional comprehensive analysis on the location choice by adding one more option, platform-type FDI. In FY 2011, I improved these two studies, for example, by tackling the multicollinearity issue and completed

the first draft of those studies. In addition, I conducted the detailed location choice analysis for FDI in developing countries. In this study, rather than examining whether or not some specific types of FDIs follow expected mechanisms, I investigated which types of FDIs the empirical results are close to. In FY 2012, I revised and completed these three studies.

**Organizer:** HAYAKAWA Kazunobu

## **(3) Poverty and Child Schooling: A Study of Slum Households in Delhi, India**

The Indian economy has enjoyed high economic growth in recent years. At the same time, India has the largest population of poor people. It is widely acknowledged in empirical studies that economic inequality in terms of individuals and caste/religion groups has been growing, particularly since the 1990s in India. This research project aims to examine changes in multidimensional poverty and child schooling by revisiting the slum households surveyed in 2007-08.

The follow-up slum household survey in 2012 traced approximately two-thirds of the households surveyed in 2007-08. The preliminary analysis shows that economic conditions have largely improved among slum households in 2012. Access to schooling has also improved, mainly due to the introduction of a compulsory education law and a non-repetition policy. More detailed analysis will be made in due course.

**Organizer:** TSUJITA Yuko

## **(4) A Study on Production Costs in the Malaysian Manufacturing Sector**

One of the most important economic issues that Malaysia now faces is the problem of how to sustain economic growth. In particular, high labor wages are considered to be a major negative factor for the sustainability of economic growth. The Malaysian economy grew quickly by taking advantage of low-wage labor. Given the current state of high wages in comparison with less developed countries in Asia, the sustainability of growth is a major concern; FDI companies have moved out of Malaysia to avoid high production costs. From the viewpoint of productivity



and production costs, I analyze whether Malaysia is competitive in comparison with less developed countries in Asia.

In the case in which labor and capital are the inputs needed for the production of output and in which the production goods and the production function are both identical in two countries, a country with higher wages may have higher production costs. Certainly, in Malaysia, unskilled labor wages are higher than in less developed neighboring Asian countries. Now, if we analyze the production function with three inputs, which are unskilled labor, skilled labor and capital, we can draw another conclusion. For example, if there is a sector where unskilled labor is not important but skilled labor is considerably more important in production, then the unskilled labor wage will not greatly influence production costs. In this research project, I examine whether production costs are high in Malaysia by estimating the production function.

**Organizer:** KODAMA Masahiro

### **(5) The Bank of Taiwan and Japanese Southward Strategy in Transitional Asia**

This research project elucidates how Japan approached the established regional economic order and its involvement in an economic dispute with other great powers from the 1910s to the 1930s. As an example, this project focuses on the case of the southward strategy of the Bank of Taiwan, which represented Japanese economic expansionism into Asia.

In 2011, this project initiated field research in Tokyo, Taiwan and Singapore to locate historical materials such as original documents and records from officials, banks, newspaper and magazine articles and so forth in the following locations:

Tokyo: Diplomatic Archives of the Ministry of Foreign Affairs of Japan, National Archives of Japan and Institute for Monetary and Economic Studies of the Bank of Japan.

Taipei: Economic Research Institute of the Bank of Taiwan, Academia Sinica and National Taiwan University.

Singapore: National Archives of Singapore, Centre of Southeast Asian Studies and National University of Singapore.

**Organizer:** HISASUE Ryoichi

### **(6) Technology Diffusion of the System of Rice Intensification and Its Economic Impacts on Household Welfare: The Case of Rural Indonesia**

The system of rice intensification (SRI) is a set of improved rice management practices, which enables farmers to obtain higher yield than the conventional method. This research aims to identify the determinants of SRI adoption and its economic impacts, not only on paddy yield and rice income but also on total household income, which is largely ignored in the existing literature. The empirical part is based on data originally collected in rural Indonesia.

Based on the regression analysis, I found that SRI generates yield gains of about 60% on average. However, due largely to the increased use of family labor on farms, I found some evidence that SRI lowers household off-farm income, and as such, there is no difference in total income between SRI adopters and non-adopters. Despite the increased labor demand for farming, I found no evidence of a child labor effect of SRI.

I also found that risk aversion, unfavorable access to irrigation, and insufficient family labor force are among the most important determinants of low take-up rates of SRI. Farmers' ambiguity preferences play no significant role in decisions to adopt most SRI practices, except alternate wetting and drying, which requires proper coordination among neighboring farmers and thus amplifies the uncertainty of effective implementation.

**Organizer:** TAKAHASHI Kazushi

### **(7) Study on Community-based Forest Resource Management and Village Organizational Capability**

This research aims to explore the acceptance and response towards the introduction of community-based forest resource management (community forestry) by the contemporary Myanmar village. In the research, as well as the practice of community-based resource management, it is often the case that the 'community' is treated as given and not thoroughly examined, despite

its critical position as the main actor. Actual ‘community’ is diverse depending on the country and region, and the community participation should take different forms according to their specific social structure. Therefore, this study explores the actual development of community forestry in the field, analyzing it in light of the organizational capability of the community, i.e., the village. Organizational capability here refers to the manner of resource mobilization as well as the decision-making process of the community. This analysis is ultimately expected to reveal the characteristics of the social structure of Myanmar society.

As in the second year of this four-year research project, field surveys in the remaining area of the three targeted areas (delta area) were conducted. As was the case in the mountainous area and dry zone area, the village performs as the main unit to the community forestry program in the delta area. However, unlike the other two areas, whole village participation was not observed. The reason may lie in the difference in the history of the village, which does not allow accumulating sufficient experience of village-wise collective action, as well as the higher mobility of the population in the area.

**Organizer:** OKAMOTO Ikuko

### **(8) Transformation of Agro-processing Industries in Myanmar: From the viewpoint of spatial economics**

This study examines the characteristics and transformation of agro-processing industries in Myanmar during its transition toward a market economy. The agro-processing industry includes the processing of major crops such as rice, sugar, cotton, palm oil and other oilseeds. This study examines the changes in the distribution of agro-processing industries from the viewpoint of spatial economics.

The second year of this study focused on the rice industry, which, in the milling sector in particular, has drastically changed since the end of the socialist era and during the last two decades. The two waves of liberalization of the rice markets and the milling sector spurred the rice industry in Myanmar to integrate its nationwide domestic markets and global export markets. The rice industry, including the milling sector, is an industry that has been affected by economic

integration domestically and externally. Accordingly, the spatial distribution of various types of rice mills has been transformed. A possible result of trade liberalization is that the production of exportable white rice using modern equipment will concentrate in Yangon. Furthermore, the connectivity must be improved in Myanmar for filling the gap between the rice surplus area and the rice deficit area.

**Organizer:** KUDO Toshihiro

**Co-researcher:** GOKAN Toshitaka

### **(9) The Shariah Court System and Judges in Southeast Asia**

Many Southeast Asian countries have established ‘formal’ Islamic court systems (Shariah courts) for the interests of their Muslim population, whether they are Islamic countries or not. The relationship between the Shariah court system and the ordinary judicial system differs among countries. In some countries, Shariah courts are incorporated as a part of the judicial system, and in others, the Shariah court system is fully separated from the ordinary court system. This study will analyze the diversity of institutional configurations as well as the dispute resolution process in the Shariah court systems, especially in the context of family-related disputes among Muslims. This study focuses the role of ‘judges’ and other lawyers in Shariah courts. Generally, judges in Shariah courts are appointed from among the Muslims who have studied Islamic law (Shariah) within the country or abroad. Some countries have also established a system for public prosecutors or lawyers specialized for Shariah courts. This study covers Brunei, Indonesia, Malaysia, the Philippines, Singapore and Thailand.

**Organizer:** IMAIZUMI Shinya

### **(10) Innovations by Latecomer Firms: the Analysis of the Taiwanese IT industry**

The research project attempts to elucidate the process of the rise of Taiwanese electronics firms that launch innovative products/components and create new value added for customers/users in the industry. More specifically, I focus on the rise of Taiwanese system-on-chip (SoC) vendors that provide IC core

chips that serve as foundations upon which other companies—primarily from China—can innovate their products and services. In FY 2011, I investigated the following two topics as a part of this research. First, I explored the main characteristics of business models of Taiwanese SoC vendors and the source of their competitiveness and innovativeness. Second, I examined the case of the digital TV industry and investigated collaboration among Taiwanese SoC vendors, TV subcontracting manufacturers, and brand firms in the course of the development of a new product. In so doing, I observed the growing role of Taiwanese SoC vendors as agents of innovation in the industry. I also carried out a case study of the netbook industry and explored the process in which a Taiwanese brand firm implemented new-market-creating innovation and triggered the disruption of the existing order of the traditional notebook PC market. A part of this research project was published as a paper (“Market-Creating Innovation by Latecomer Firms: The Case of the Netbook Industry, *Ajia Keizai*, 54(1), 2013), and was also incorporated into my book *Compressed Industrial Development: The Growth Mechanism of Taiwanese Notebook PC Manufacturers*, University of Nagoya Press, 2012.

**Organizer:** KAWAKAMI Momoko

### **(11) Central-local relations and strategy of street-level government in a coastal area of China**

Central and local relations is a basic approach to understanding modern China. Previous works mainly focus on the relations between central level and provincial level. It is still unclear whether the relations of those governments below provincial level are institutionalized or not. This research tries to analyze relations at central, provincial and local levels through a case study of land expropriation and demolition.

**Organizer:** REN Zhe

### **(12) Changes in Household Behavior through Agricultural Integration: An empirical analysis of contract farming**

A new agricultural policy called the ‘Agro-

industrialization Policy’ has started to be adopted widely in rural China and has induced agribusiness enterprises to integrate villages and farmers through contract farming. The establishment of agricultural conglomerates is expected to increase the profitability of agricultural products and to improve the economic standards of rural people.

The major purpose of this study project consists of two aims. Firstly, we conduct a household questionnaire survey on participation in contract farming and agricultural cooperatives in two provinces where the levels of agro-industrialization are not the same to identify the key factors that determine participation in contract farming. Secondly, we adopt methods of policy evaluation such as Generalized Method of Moments (GMM) estimations and Propensity Score Matching (PSM) to confirm the effects of contract farming on profitability and income stability. By comparing the results of two provinces, factors that restrict diffusion of contract farming and participation in agricultural cooperatives are considered.

In the first year of this study project, we conducted preliminary field trips in the planned survey areas (Jiangsu and Shanxi provinces) to collect information on agricultural circumstances, such as the characteristics of agricultural production and the development of agro-industrialization. Questionnaire surveys on about 350 agricultural households for each province were conducted and collected detailed data on agricultural production and household attributes.

In the second year, a follow-up field survey in Shanxi Province has been performed to collect information on the economic functions of agricultural cooperatives and village committees to facilitate agro-industrialization in surveyed areas. In addition, I have presented the interim paper on surveyed data at several academic societies and workshops to brush up research questions and econometric methodologies. One of the finished papers was submitted to an academic journal.

**Organizer:** HOKEN Hisatoshi

### **(13) Publication Project: Strong Soldiers, Failed Revolution**

The aim of this project is to translate, rewrite and publish the book, *Gunsei-Biruma no Kenryoku Kozo*

(The Power Structure of Burma's Military Regime), which was published in 2009 by Kyoto University Press. The contents of the book are as follows:

Preface / Contents / Notes

Chapter One: Introduction: A Failed Revolution Made a Strong Military Regime

Chapter Two: Nation-State Building and the Coercive Apparatus in Modern Burma

Chapter Three: The Origin of the Burmese Path to Socialism: State Ideology Formation and Military Politics

Chapter Four: Party-State *Manqué*: Ne Win's Revolution and the Burma Socialist Programme Party

Chapter Five: Destroy the Bureaucracy!: The Transformation of Civilian Bureaucracy under the Name of Revolution

Chapter Six: Winner-Take-All: An Analysis of Burma's Political Elite

Chapter Seven: Garrison-State Formation: The Politics of Dictator-Military Relations

Chapter Eight: Conclusion: The End of the Revolution

Epilogue: Post-1988 Politics

Bibliography

The editorial process was finished in 2012. And the book, titled *Strong Soldiers, Failed Revolution: The State and the Military in Burma, 1962-1988*, was published in February 2013 by the National University of Singapore Press.

**Organizer:** NAKANISHI Yoshihiro

#### **(14) A Comparative Study of the Family Structure of Iranian Notables and the Modern Concept of 'Family'**

In the fiscal year of 2012, this research project attempted to research the inheritance system as well as family structure in Iran in the second half of the 19th century. The researcher mainly analyzed archival sources related to the Donboli Family and the household survey preserved in the National Archives of Iran, in order to answer the following questions:

(i) How was the family's wealth stably passed down to subsequent generations in spite of the

restrictions of Islamic inheritance law?

(ii) What role did female relatives play in the intergenerational transmission of wealth?

(iii) What was the household structure and social background of urban inhabitants in 19th-century Iran?

As for (i), the researcher presented a paper titled "Continuity of Patrimony and Islamic Inheritance System in Iran" in the ninth Biennial Iranian Studies Conference held in Istanbul on August 2, 2012. The researcher discussed "patrimony" in the framework of the Iranian historical context.

As for (ii), the researcher presented a paper titled "Female Relatives and Islamic Inheritance System" in a workshop at the University of Tokyo. The researcher analyzed the cases of inheritance among high-level Iranians from 19th-century Iran and compared women's roles in those cases, and then talked about the juxtaposition of women's right to inheritance and the continuity of a family's property.

As for (iii), the researcher presented a paper titled "The Households and Inhabitants in a 19th-century Iranian City: The Case of Tabriz" at the international workshop "Households and Population in the Ottoman and Iranian Registers" on February 14, 2013. The researcher talked about polygyny, the number of children per family, and the social background of Tabrizi inhabitants. It is needed to sophisticate the method of the investigation.

**Organizer:** ABE Naofumi (Research Fellow, Japan Society for the Promotion of Science)

#### **(15) Analyzing Markets and Industrial Development in Developing Countries using Structural Estimation Method: The Case of the Motorcycle Industry in Southeast Asia**

The purpose of this research is to conduct a structural estimation analysis of the motorcycle industry in Vietnam and Indonesia, which has experienced remarkable growth driven by competition between foreign-invested and local motorcycle manufacturers. Specifically, the research aims to make quantitative assessment of: (1) what the defining features of the motorcycle market in the two countries are, (2) how much value added is generated by strategies adopted by motorcycle manufacturers, such as improvement of

product quality and brand development, and how the value added is distributed between actors involved in motorcycle production, and (3) to what extent competition between motorcycle manufacturers improved consumer welfare.

The first year of the four-year research project focused primarily on two activities. The first was the development of a theoretical framework. Based on a review of the existing information on the demand and supply structure of the Vietnamese and Indonesian motorcycle industries, we developed a theoretical framework to describe the consumption behavior of consumers, production activities of motorcycle manufacturers and component suppliers, and negotiations between the two groups of firms. The second was the preparation for data collection to start in the second year. We approached several potential partners in the two countries and engaged in discussions regarding the scope of the survey, sampling procedure, and data collection methods.

**Organizer:** FUJITA Mai

**Co-researchers:** SATO Yuri, WATANABE Mariko, MACHIKITA Tomohiro

### **(16) Reaching the unreachable: Ultra poverty reduction 1**

This study examines the reasons for microfinance not reaching the ultra-poor through randomized control trials. Specifically, we examine:

Demand-side constraints:

1. Lack of unobservable entrepreneurship.
2. Long waiting time until being able to invest productively, due to convex technology.
3. Lack of savings to comply with early repayment start.

Supply-side constraints:

4. Ultra poor are riskier than the moderately poor.

These points echo the previous studies showing mixed evidence on effectiveness of training and business consultation on profits. The current flagship model assumes that the credit recipients to be endowed with entrepreneurship yet such has not been tested empirically. We jointly work with an NGO that provides microfinance services in northern Bangladesh. We have conducted a baseline household survey, and identified the individuals who expressed

their willingness to participate to the microfinance program. This is the first of a four-year study funded by Grants-in-Aid for Scientific Research. Institutional Review Board approval and registration to American Economic Association RCT Registry are expected to complete in FY2013.

**Organizer:** ITO Seiro

**Co-researchers:** ABU Shonchoy, TAKAHASHI Kazushi, KUROSAKI Takashi (Professor, Hitotsubashi University)

### **(17) Study on the grassroots situation of peasant movements in Thailand during the 1970s**

In the mid-1970s, Thailand experienced active uprisings of peasants who were struggling to recover land ownership, reduce land rent, and protect their other rights. Although there are some preceding studies that described the development and fate of this movement, the actual situation at the village level has been rarely documented and studied. This study is to fill the gap in knowledge about what happened at the village level and why the villagers stood up for sometimes dangerous movements in those years. In March 2013, I visited some provinces in the northern region (Chiang Mai, Lamphun, and Lampang) and interviewed several former peasant activists and student activists. This interview revealed that the movements appeared separately according to the economic and social problems in the locality. For example, the villagers in Lampang Province struggled against the pollution from tin mining, while the paddy farmers stood up to fight against the feudalistic power of royal families in Lamphun Province. Farmers in the villages near Chiang Mai city struggled against the capitalists who owned large areas of paddy field.

**Organizer:** SHIGETOMI Shinichi

### **(18) Changes and Continuity of Indonesian Business Groups**

This research aims to explore the changes and continuity of Indonesian business groups that survived a chaotic decade after the Asian currency crisis and the fall of the Soeharto regime.



In the initial year of the three-year project, I collected data on the top 100 business groups as of 2011, and compared them with those of 1996, the last phase of the Soeharto era. It was found that a great majority were old faces, with only 13 new groups. Despite this continuity, most groups restructured core businesses, shifting from heavy manufacturing to agriculture, mining, and service sectors. While their presence is recovering, the ratio of total sales of the 100 groups to the nominal GDP in 2011 remains far lower than the ratio in 1996.

I also conducted interviews with founders of leading groups. With these key informants, some fundamental issues were discussed, for example, why they form a business group rather than a multi-divisional conglomerate, why they could revive the business, and how they evaluate inseparable ownership and management.

Integrating these inputs, I attempted to explore a mechanism throughout the rise and fall of Indonesian business groups for five decades, and to compare it with Japan's experience for 15 decades since the Meiji Restoration. My tentative understanding is that, while Japanese zaibatsu spent a long time forming internal organizations and accumulating technology, in Indonesian business groups, owner-managers function as key players that use their networks for mobilizing external resources needed phase to phase.

**Organizer:** SATO Yuri

## **(19) Development Aid as Modernization Transformer**

Modernization theory believes in the "universality" of the modernization process that is only a Western-Europe version of social change. Based on this theory, development aid activities tend to be a "modernization booster" for developing countries to copy and accelerate the Western experiences. In this approach, we observe a lot of friction and embarrassment among the societies of recipient countries of aid. Based on these observations, we propose that development aid should be a modernization "transformer" instead of mere "booster".

In this three-year study project, we first analyze the history of development aid after the Second World War. Then we will define the "modernization

transformer" concept for the sake of more socially acceptable, culturally appropriate, and environmentally sustainable development. Lastly, we will feedback the concept of "modernization transformer" into the development aid industry and sociology academia in Japan.

This study is unique in several points. This study deals with

- (1) Development aid activities which mainstream sociology has seldom touched upon. And present the new concept of "modernization transformer"
- (2) Conceptual gap of the "modernization" image between the developed country (the donor) side and developing country (recipient) side, and analyse how this gap causes friction
- (3) Japanese modernization experiences as "the first non-Western state having succeeded in induced modernization"

We also aim at formulating "development sociology" as one of the core pillars in sociology education in Japan. At the same time we want to contribute to development aid policy and aid practice (including evaluation study) in the field with this "development transformer" concept.

**Organizer:** SATO Kan Hiroshi

**Co-researchers:** TATSUMI Kazuko (Associate Professor, Yamaguchi University), HAMAMOTO Atsushi (Associate Professor, Nagoya City University), SANO Mayuko (Associate Professor, Fukuoka Prefectural University), SATO Yutaka (Lecturer, Hitotsubashi University)

## **(20) Black Entry into the Commercial Farming Sector in South Africa: Case Studies of the Wine and Sugar Industries**

This study explores the extent and forms of black entry into the commercial farming sector in South Africa, through the case studies of the wine and sugar industries. It also discusses the policy developments of the ANC government in order to promote black economic empowerment (BEE) and the changing business environments surrounding these agro-industries. In the first year of this three-year project, I have looked at the current state of black entry into the wine industry in the Western Cape Province. Compared to the mining and fisheries sectors, the

progress of BEE in the agricultural sector is still in its early stages. However, various forms of black entry into the wine industry, not limited to the BEE deals by large corporations, began to emerge, especially since enactment of the Broad-based Black Economic Empowerment Act, Act 53 of 2003. This study identified two types of BEE wineries as unique forms of black entry into the wine industry and investigated in detail their features, backgrounds and challenges by referring to several prominent examples of each type of BEE winery.

**Organizer:** SATO Chizuko

### **(21) Politics of Constructing an International Hub Airport: The case of Bangkok Suvarnabhumi Airport**

“Connectivity” has become the key term in defining the policy target in infrastructure development in Asia. And one part of the term is upgrading connectivity through aviation. This is a common political target and now, states and cities compete to win a better position in the connected world, and to take the fruits from a more integrated economy in Asia. Here, constructing “An International Hub Airport” is very much a political decision. When it comes to the construction of an International Airport in the capital city, this is never a private project, but a national project. Thus, a political project subjected to constant political contestation among the key actors. So, how would the construction of “An International Hub Airport” be planned, financed and implemented? What will be the obstacles to carry out the plan, what kind of political fights among institutions and powerful figures occur in the process of construction? And ultimately, how can an upgraded international airport, or an International Hub Airport change its power structure? I would analyze the above questions through the research on the political process of the construction project of Suvarnabhumi Airport in Bangkok, Thailand.

**Organizer:** AIZAWA Nobuhiro

### **(22) The Impact of Foreign Firms on the Productivity of Domestic Firms: The Case of Cambodia**

This research project uses the first economic census in Cambodia for 2011 to investigate the impact of foreign direct investment by foreign investors on the productivity of domestic firms. First, we estimate the productivity of firms in Cambodia and examine whether foreign firms are more productive than domestic firms. Second, we conduct a survey of firms on transaction relationships in input supplies between foreign and domestic firms, and examine whether such relationships affect the productivity of domestic firms. Finally, we investigate whether the transaction relationships with foreign firms increase the productivity of domestic firms. Thus, we formally assess the impact of foreign firms on domestic firms in Cambodia and provide a policy implication for investment promotion.

**Organizer:** TANAKA Kiyoyasu

### **(23) Firms, Workers, and Global Supply Chains**

In October 2011, the Thailand Flood Crisis happened; massive suppliers including more than 400 Japanese firms had been affected. Thailand has a 60% share of the world’s hard-disc drive production and is also a center for auto production, exports, and consumption. Moreover, many local technical workers with skills that Japanese firms and workers lacked moved from Thailand to plants in Japan to maintain operations. It has been important to get a deeper understanding of how economic globalization and industrial upgrading affects firms, workers, and organizations through production chains. The aim of this research project is the following two aims. First, we would advance our knowledge to understand the empirical facts about (1) the relationship between intra-industry trade and labor, in particular, the rapid introduction of temporary workers; (2) the relationship between industrial upgrading in emerging economies and changes in division of labor across countries. Second, we would improve our understanding of the causes of trade on employment to develop a model of industrial organization that incorporates firm size, product types, upgrading, and outsourcing. This model could be satisfied with to recover the above empirical patterns on trade and labor through global supply chains. The proposed research thus contributes

to the existing literature to identify and estimate the globalization channel of changes in the labor market.

**Organizer:** MACHIKITA Tomohiro

#### **(24) The empirical analysis of the impact of dowry on women's intra-household bargaining and human capital investment in children**

The objective of the research is to empirically explore the impact of dowry on intra-household resource allocation, such as women's decision-making and children's education, and to lead to the related policy implication. Dowry is prevalent in South Asian countries, and is often reported sensationally in media as if it were the root cause of violence towards brides and dowry murders. Some argue that dowry leads to unequal treatment of girls in the household such as through their malnutrition, infanticide, sex-selective abortion, and lower level of education. Dowry is prohibited or restricted, but is illegally practiced in South Asian countries. The empirical study on the impact of dowry is not sufficient, partly due to the lack of data, while the sociological or anthropological studies are numerous. This research is to empirically reveal the impact of dowry and to provide a foundation for discussion regarding effective policies.

In 2011-2012, the pilot survey was conducted in Punjab, Pakistan, in advance of the household survey planned in 2013, in order to finalize the survey area and the questionnaire. The household survey focusing on dowry in Pakistan is very important because, among South Asian countries, the empirical study on dowry is especially missing in Pakistan, and Pakistan lags behind in female labor participation and gender equality. The pilot survey has identified marital practices, which were not certain enough in the literature, and achieved the formulation of a high-quality questionnaire.

**Organizer:** MAKINO Momoe

#### **(25) Hong Kong: Gateway in the Age of Empires**

This project is a publishing work of my new book "Hong Kong: Gateway in the Age of Empires", which is supported by Grants-in-Aid for Scientific Research

of JSPS. The basis of the new book is my Ph.D. dissertation submitted to the University of Tokyo in 2004. In 2010, Nagoya University Press gave me an offer for the publishing project, and it was subsidized by JSPS in April 2012. The book was published in October 2012.

**Organizer:** HISASUE Ryoichi

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### III. International Conferences, Symposia, Workshops

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#### **(1) FTA Symposium at the ASEAN Road Show -Toward Economic Integration in ASEAN and East Asia- April 27, 2012**

##### Opening remarks

NISHIMURA Hidetoshi, Executive Director, ERIA

##### Keynote Speech 1: Overview and Status of ASEAN Regional Economic Integration

Lim Hong Hin, Deputy Secretary-General, ASEAN Secretariat

##### Keynote Speech 2: Economic Effects of Wider Regional Economic Integration (REI) in ASEAN and East Asia

Ganeshan Wignaraja, Director, Research Department, Asian Development Bank Institute (ADBI)

##### Keynote Speech 3: Supply Chain Network in East Asia

KIMURA Fukunari, Chief Economist, ERIA / Professor, Keio University

##### Keynote Speech 4: Recommendation on ASEAN's FTAs -Towards User Friendly Regional Economic Integration-

SUEMATSU Masao, COO & Executive Vice President, Denso International Asia Co., Ltd.

##### Panel Discussion

Moderator: SHIRAISHI Takashi, President, IDE-JETRO

##### Panelists:

Economic Ministers of ASEAN Economies

Lim Hong Hin, Deputy Secretary-General, ASEAN Secretariat

URATA Shujiro, Professor, Waseda University

Hank LIM, Senior Research Fellow, Singapore Institute of International Affairs (SIIA)

##### Closing remarks

Boonsong Teriyapirom, Minister of Commerce, Kingdom of Thailand

Following the opening greetings by Hidetoshi Nishimura, executive director of ERIA, presentations were given by the ASEAN Secretariat's Deputy Secretary-General on 'Overview and Status of

ASEAN Regional Economic Integration' and by the Asian Development Bank Institute on 'Economic Effects of Wider Regional Economic Integration in ASEAN and East Asia'. Professor Kimura of Keio University presented a lecture on 'Supply Chain Network in East Asia' and Denso International Asia gave a lecture on the company's FTA strategy entitled 'Recommendation on ASEAN's FTAs -Towards User Friendly Economic Integration-'. For the panel discussion, SHIRAISHI Takashi, president of IDE, served as the moderator, and panelists included Economic ministers of ASEAN countries, the deputy secretary-general of the ASEAN Secretariat, Professor Urata of Waseda University, and Hank LIM, senior research fellow, Singapore Institute of International Affairs. A lively exchange of opinions took place regarding ASEAN's view of TPP and the mutual connectivity of ASEAN member countries.

**Venue:** Convention Hall, the Prince Park Tower Tokyo

**Hosts:** IDE-JETRO, Economic Research Institute for ASEAN and East Asia (ERIA)

#### **(2) International Symposium "Sea Power in the Pacific" May 25, 2012**

##### Opening Greeting:

HAYASHI Tetsusaburo (executive vice president of JETRO)

##### Keynote Address 1:

“‘Claiming the Oceans” and the Pacific Ocean in the 21st Century” by SHIOTA Mitsuki

##### Keynote Address 2:

‘Development of Pacific Ocean Islands: Geopolitical Position and Island Residents’ by Niko Besnier (professor, Departments of Sociology and Anthropology, University of Amsterdam)

##### Panel Discussion: ‘How Will the Pacific Ocean Be Transformed in the 21st Century?’

Moderator: SATO Hiroshi

Panelists: HIGASHI Yutaka (Professor, Faculty of International Studies, Tomakomai Komazawa

University), HOSOI Yoshitaka (Visiting Senior Advisor for Natural Resources, JICA), KUROSAKI Takehiro (Deputy Director, Pacific Islands Centre), Niko Besnier, SHIOTA Mitsuki

Following WWII, countries in the Pacific, including Australia, New Zealand and Japan, were part of a regional security alliance led by the US. However, since the latter half of the 1980s, countries have been taking steps toward becoming independent of that framework, with Papua New Guinea, the Solomon Islands, Vanuatu and Fiji forming their own regional alliance. Furthermore, in recent years, China has become more active in trade, business and aid to Pacific island countries. In the 21<sup>st</sup> century, development of undersea mines, undersea oil wells, and undersea gas fields has come into full swing, and islands are attempting to claim the ocean floor as territory using the EEZ (200 nautical mile exclusive economic zone) as a wedge.

Seizing the opportunities opened up by the 6<sup>th</sup> Pacific Ocean Island Summit (May 25-26 in Nago, Okinawa), participants at this symposium discussed changes in the power structure in the Pacific Ocean and what strategy Japan should adopt.

**Venue:** JETRO Headquarters Tokyo

### **(3) On the Front Lines in the Fight against Deadly Diseases: Global Momentum from the Ground Up November 29, 2012**

#### Opening

SHIBUSAWA Ken, President and CEO, Japan Center for International Exchange

Lecture: No Time to Lose: A Life in Pursuit of Deadly Viruses

Peter Piot, Director, London School of Hygiene and Tropical Medicine; former Executive Director, UNAIDS

Interviewer

OMURA Tomoko, Senior Producer, NHK World TV

Panel Discussion: How Can Japan Fight AIDS as It Stands in the Way of Its Foreign Investment?

Moderator

HIRANO Katsumi

#### Presentations

"HIV/AIDS and Its Impacts on Labor Markets" (Damien de WALQUE, Senior Economist, Development Research Group (DECRG), World Bank)

"IDE-JETRO TICAD Project: Toyota Motors South Africa's AIDS Workplace Program" (ITO Seiro)

#### Interactive Session

#### Reception

For World AIDS Day, IDE-JETRO cosponsored with Friends of the Global Fund, Japan (FGFJ) and Japan Center for International Exchange (JCIE) a special symposium entitled 'On the Front Lines in the Fight against Deadly Diseases: Global Momentum from the Ground Up'.

A talk was present by Peter Piot, director of the London School of Hygiene and Tropical Medicine (and former executive director of UNAIDS), with references to his book *No Time to Lose: A Life in Pursuit of Deadly Viruses* published in May 2012, about his own experience in fighting this mysterious contagion and in fighting bureaucracy on the international political stage as well as about what lessons have been learned from the global AIDS movement.

In the second part of the symposium, the focus was on AIDS' impact on business. Research was presented on AIDS' impact on the labor market, and results were presented on a research project involving an experiment to promote HIV testing in a case study at Toyota South Africa Motors, (Pty) Ltd., which was carried out by IDE.

**Venue:** National Graduate Institute for Policy Studies (GRIPS), 1F Soukairou Hall

**Co-organizers:** Institute of Developing Economies (IDE-JETRO); Japan Center for International Exchange (JCIE) /Friends of the Global Fund, Japan (FGFJ)

**In collaboration with:** Japan AIDS and Society Association, Japan Foundation for AIDS Prevention



#### **(4) International Symposium "China's New Age: Towards Matured Society Structural Issues and Policy Options"**

**January 25, 2013**

##### Opening Remarks

YOKOO Hidehiro (President, Japan External Trade Organization JETRO)

SUGIURA Nobuyuki (Managing Editor of Tokyo Head Office, the Asahi Shimbun)

##### Keynote Speech1

Wenkui Zhang (Deputy Director, Enterprise Research Institute, Development Research Center of the State Council)

##### Keynote Speech2

David Shambaugh (Professor, George Washington University)

##### Coffee Break

##### Panel Discussion

Moderator:SHIRAISHI Takashi (President, IDE-JETRO)

##### Panelists:

Ming Wang (Director of NGO Research Center, Tsinghua University)

ONISHI Yasuo

SASAKI Norihiro

Wenkui Zhang

David Shambaugh

China, where a new administration took office in March 2013, cosponsored a symposium with Asahi Shimbun concerning the problems in Chinese society that must be resolved for China to maintain stable economic growth from here forward and to enter the ranks of developed countries.

Zhang Wenkui, deputy director, Enterprise Research Institute of the Development Research Center of the State Council, who has made a case concerning China's structural issues, and David Shambaugh, a professor at the George Washington University who conducts political research on China, gave the keynote addresses on structural problems that China's new leaders must resolve to maintain stable economic growth and to be counted as a developed country.

During the panel discussion, following reports from Ming Wang, director of the NGO Research Center of Tsinghua University and IDE researchers specialized in politics and economics, the report presenters and

the keynote speakers discussed what sorts of reforms China's new administration needs to carry out in order to resolve the problems.

**Venue:** United Nations University U Thant International Conference Hall

**Co-organizers:** IDE-JETRO, the Asahi Shimbun Company

#### **(5) International Workshop 'Policy Changes and Social Transformation in Democratic South Africa'**

**November 6, 2012**

This international workshop was held as part of a Spot Research Project on 'Policy Changes and Transformation in Democratic South Africa'. Following an explanation of the gist of the workshop by MAKINO Kumiko, the head researcher, co-researchers of the project reported on policies and socioeconomic changes in South Africa following democratization. A debate was held with two debaters invited from universities in South Africa (Scarlett Cornelissen from Stellenbosch University and Sabelo Ndlovu-Gatsheni from the University of South Africa).

The presenters and the titles of their presentations were as follow.

- (1)"Who Is the Pension for? A Critical Analysis of Social Grants as the Central Pillar of Fight against Poverty in South Africa" (MAKINO Kumiko)
- (2)"Local Government Reform and the Challenges of Service Delivery" (FUJIMOTO Yoshihiko)
- (3)"The Transition of South African Immigration Policy in the Face of Regional Integration" (AMINAKA Akiyo)
- (4)"Trade Policy and the WTO" (YANAI Akiko)
- (5)"Economic Transformation and Outward Direct Investment by South African Companies" (NISHIURA Akiko)
- (6)"Black Economic Empowerment in Agricultural Sector: The Case Study of Wine Industry" (SATO Chizuko)

The main points raised by the two debaters concerning the presentations were as follow.

- It is necessary to take note that there is a historical

legacy of compromise in the democratization process that has built the basis for policies in various sectors.

- There are a variety of contradictions and ambiguity in South African policies, but that is because the policies are simultaneously pursuing economic growth and fairness.
- Analysis of countries tends to be non-political when the analyst is not a citizen of the given country, and in terms of research, this may be both a strength and a weakness.
- Economic policies are not merely concerned with economics but are positioned to actualize socioeconomic change through growth.

**Venue:** Hongo Satellite, Tokyo University of Foreign Studies

**Attendees:** MAKINO Kumiko, SATO Chizuko, YANAI Akiko, AMINAKA Akiyo (Research Fellow, Japan Society for the Promotion of Science), NISHIURA Akio (professor, School for Excellence in Educational Development, Soka University), FUJIMOTO Yoshihiko (Post-Doctoral Program, Hiroshima University), Scarlett Cornelissen (professor, Stellenbosch University/visiting research fellow), Sabelo Ndlovu-Gatsheni (professor, University of South Africa)

## **(6) International Workshop —Islam and Political Dissent: Studies and Comparisons from Asia and the Middle East— November 7-8, 2012**

This workshop was a research debriefing session for the study group on Islam and Political Dissent: Studies and Comparisons from Asia and the Middle East (Khoo Boo Teik, head researcher). The research for the study group was conducted jointly by IDE and Murdoch University in Australia. The workshop was held for the purpose of deepening the discussion among the members, transmitting the results of the study group to the outside world, pinpointing problems, and furthermore, bringing outside opinions in and reflecting them in the study group discussion. Since its launch in April 2011, this study group, which is composed of four internal members with different specializations and seven external members (as of November 2012), addresses the Islamic political

protest movement across Asia and the Middle East and has discussed the impact on the movement of the social infrastructure, economic transformation, and changes in national organization. The two-day workshop was divided into six sessions. In addition to two research themes which proposed theoretical frameworks for analyzing the Islamic movement in different regions, case studies were presented on nine regions (Algeria, Pakistan, Egypt, Indonesia, Iran, Morocco, Tunisia, Turkey and Malaysia). In addition to the 11 presenters (study group members) and 6 session moderators, 20 researchers and students also participated, making for an energetic discussion.

At the beginning of the first day, SHIRAISHI Takashi, president of IDE, gave the opening greeting. After introducing the history and social role of IDE to the study group members and guests, he talked about how the social significance of the study group has been further enhanced in light of global conditions following the so-called Arab Spring. Next, Professor Robison of the Asia Research Centre at Murdoch University greeted the group and noted that the distinctive features of the study group were its comparative research that collected case studies from far and wide across Southeast Asia and the Middle East and, not stopping at citing case studies, its attempt to produce a shared theoretical framework

Based on the discussion at this workshop, manuscripts revised by study group members were submitted at the end of 2012. The manuscripts are scheduled to be published in 2014, together with an introduction by Khoo Boo Teik, executive senior research fellow, and Professor HADIZ.

**Venue:** IDE-JETRO

**Participants:** SHIRAISHI Takashi (President, IDE-JETRO), KHOO Boo Teik (Executive Senior Research Fellow, Area Studies Center), VEDI HADIZ (Professor, Murdoch University, Australia), RICHARD ROBISON (Professor, Murdoch University, Australia), IAN WILSON (Research Associate, Murdoch University, Australia), ALEJANDRO COLÁS (Senior Lecturer, Birkbeck College, University of London, United Kingdom), NADIA MARZOUKI (Post-doctoral Fellow, European University Institute, Italy), JENNY BARBARA WHITE (Associate Professor, Boston University, USA), MATSUNAGA Yasuyuki (Associate Professor, Tokyo University of Foreign Studies), NAKANISHI

Yoshihiro, DARWISHEH Housam, WATANABE Shoko and 14 other participants

**(7)International Workshop on a Demonstration Project for African Investment Enticement, ‘Stopping HIV/AIDS in Developing Countries: From the Viewpoints of Public Health and Social Science’  
November 30, 2012**

Session 1: Prevention, Testing, and Treatment in the Field

Evaluating Conditional Cash Transfers to Prevent HIV and Other Sexually Transmitted Infections (STIs) in Tanzania: 1-Year Post-intervention Follow-up. (Damien de WALQUE)

Session 2: Prospects for Global Scale

The Global Response to AIDS: The Need for a Long Term View. (Peter PIOT)

Session 3: Prevention, Testing, and Treatment through Healthcare Facilities

(1)Social Factors Affecting ART Adherence in Rural Settings in Zambia. (NOZAKI Ikuma)

(2)Operational Researches on PMTCT: Cases of Cambodia and Zimbabwe. (KAKIMOTO Kazuhiro)

Session 4: Prevention and Testing through the Workplace

(1)Social Relationship and HIV Testing at Workplace: Evidence from South Africa. (KUDO Yuya)

(2)Impacts of an HIV Counselling and Testing Initiative: Results from an Experimental Intervention in South Africa. (ITO Seiro)

Session 5: Panel Discussion

Moderator: Peter Piot

Closing Speech: HIRATSUKA Daisuke (executive vice president, IDE-JETRO)

The HIV/AIDS infection was recognized in the 1980s, and it has claimed many victims around the world. Development of therapeutic drugs, waiver of patents for some drugs and development of simple test agents were supported by international financial assistance, and moreover, were designated as

Millennium Development Goals, enabling progress in prevention and treatment in many developing countries. However, as of 2010, only 47% of the people in the world who should be receiving treatment actually are receiving it. Questions are being raised about how scarce resources can be used to boost awareness concerning prevention, encourage testing, and provide effective treatment.

Taking as an opportunity the visit to Japan by Peter Piot, current director of the London School of Hygiene and Tropical Medicine (LSHTM) (and former executive director of UNAIDS), researchers in the fields of public health and economics from Japan and around the world were invited to this workshop to confirm where we currently are in terms of prevention and treatment and to discuss effective methods based on field experience and scientific proof. The workshop provided a valuable opportunity for researchers in public health and social sciences to suggest policy improvements from their differing perspectives in pursuit of common goals. Participants were concerned not only with HIV/AIDS but also with public sanitation in developing countries, global health, and public health and economic development, which made for an animated debate and exchange of ideas. Proposals included Daisuke Hiratsuka's for encouragement of research in this field, Peter Piot's for joint research with LSHTM, and Ikuma Nozaki's and Kazuhiro Kakimoto's for launching a study group on the AIDS problem. It was agreed that researchers in development economics and public health would join forces.

**Venue:** IDE-JETRO

**Participants:** Peter PIOT (Director, London School of Hygiene and Tropical Medicine), Damien de WALQUE (Senior Economist, Development Research Group (DECRG), World Bank), KAKIMOTO Kazuhiro (Professor, School of Nursing, Osaka Prefecture University), NOZAKI Ikuma (Bureau of International Medical Cooperation, Japan National Center for Global Health and Medicine), ITO Seiro, KUDO Yuya

## **(8) International Workshop: ‘Floods in Thailand — Lessons of 2011 and Preparation for Reoccurrence’ December 23, 2012**

From the end of July 2011 to January 2012, Thailand faced floods on a historic scale. The flooding caused massive human and property damage, said to be the worst since 1942. Among the damage, there was widespread flooding of industrial production sites in the central and capital regions, causing stoppage of production. Unprecedented economic damage primarily affecting Japanese companies occurred, and Thailand’s ability to manage its country risk was called into question. It is currently agreed that the most pressing topic is a policy for prevention of reoccurrence and implementation of that policy, but some things have not been adequately clarified, including the background and the detailed problems of the 2011 flood and the overall picture of the measures to prevent future reoccurrences of flooding. Contributing to this lack of information lies inadequate intellectual infrastructure, including the lack of Thai specialists in water resources and disaster prevention as well as the fact that the social sciences have not been systematically analyzing the flooding.

Given these conditions, this international workshop was held as part of the FY2012 Roving Study Group on ‘Floods in Thailand — Lessons of 2011 and Preparation for Reoccurrence’ in an effort to update with the greatest possible accuracy the information on the flood’s background and on flood prevention measures and to promote research activities that will produce results.

At the international workshop, study group members and specialists who authored papers gave presentations on their respective fields (e.g., background of the Thai flood and short-term measures for flood prevention, problems in dam management, Thai politics and flooding, economic damage and measures for industrial parks, Thai airports and flood measures, flood prediction and prevention measure organization). At the same time, the authors added comments concerning the written content and confirmation of the facts, and an overall discussion was held on writing the final results.

The discussion at this workshop enabled participants to gain an outline of the important lessons learned

from the 2011 flood. One of those lessons is that although flooding has become a regular occurrence in Thailand, both the government and the private sector were ‘caught off guard’ both in the selection of the location for the industrial park and the flooding problem at the airport. Another lesson is the importance of cooperation and the creation of a sense of solidarity among residents during emergencies. The results of the study group which will be written based on this workshop are scheduled for publication as a trend analysis report in FY2013.

**Venue:** Conference Room, JETRO Bangkok

**Participants:** TAMADA Yoshifumi (professor, Graduate School of Asian and African Area Studies, Kyoto University), Sucharit Koontanakulvong (associate professor, Water Resource System Research Unit, Engineering Department, Chulalongkorn University), SUKEGAWA Seiya (deputy director, JETRO Bangkok), HOSHIKAWA Keisuke (assistant professor, Center for Integrated Area Studies, Kyoto University), AIZAWA Nobuhiro, FUNATSU Tsuruyo

## IV. International Research Exchanges Activities

### (1) Hosting of Visiting Research Fellows (VRF)

In this program, academic and other related field specialists not only from developing countries but also from developed countries are invited to conduct research in Japan as VRFs. This program offers VRFs opportunities to carry out research on developing economies and related issues, exchange opinions and

information on development affairs with IDE researchers and learn about the Japanese development experience through activities such as a study tour program and seminars on Japan and other countries. In FY2012, the IDE hosted and financially supported six VRFs and one self-supporting fellow from abroad. In addition, IDE accepted two VRFs from domestic institutes.

### Visiting Research Fellows (VRF)

Table1: IDE Supporting Fellows

Name	Country	Status/Institutions	Research Topic
Gao Xiaoping	China	Associate Senior Research Fellow, Research Institute for Fiscal Science, Ministry of Finance	Rural Governance and Supply of Public Services in Rural Area –Based on the Lessons from Japan and Other Countries
Chheang Vannarith	Cambodia	Executive Director, Cambodian Institute for Cooperation and Peace	Tourism and Regional Integration in Southeast Asia
Somchai Preechasinlapakun	Thailand	Associate Professor, Faculty of Law, Chiang Mai University	Constructing Thai Customary Constitution
Shamshad Ahmad Khan	India	Research Assistant, Institute of Defense Studies and Analyses (IDSA)	India-Japan Political and Economic Engagement between the Entrepreneurial Interests and Strategic Objective
Krishnarajapet Vidyaranya Ramaswamy	India	Professor, Indira Gandhi Institute of Development Research(IGIDR)	Understanding the "missing middle" and Employment Dynamics in Indian Manufacturing: A Study of Formal Sector Manufacturing in India
Scarlett Cornelissen	South Africa	Professor, Department of Political Science, Stellenbosch University	The Development of the Analytical Toolbox for an Economic Impacts of Standards



Table2: Self Supporting Fellow

Name	Country	Status/Institutions	Research Topic
Sun Hyang	Korea	Director of Material & Nanotechnology Standards Division, Korean Agency for Technology and Standard	The Development of the Analytical Toolbox for an Economic Impact of Standards

Table3: Japanese Fellows

Name	Status/Institutions	Research Topic
ODA Hisaya	Professor, Department of Policy Science, Ritsumeikan University	Disparity in Rural Electrification and Labor Migration: The case of Bihar, India
OKUDA Satoru	Professor, Institute of Asian Studies, Asia University	A Current Affairs Study on Northeast Asian Economies with Special Emphasis on Korean Economy and Regional Trade Agreements

## (2) Dispatching of IDE Staff Abroad

The IDE dispatches researchers abroad on two-year assignments to have them build up their experience of conducting research in developing countries and regions. Through this program, researchers are expected to improve their ability to make in-depth

analyses of economic, political, and social phenomena in those countries and to build overseas institutional research networks. In FY2012, seven researchers were sent abroad to be affiliated with research institutes, universities, and international organizations.

## Research Fellows Sent Abroad during Fiscal Year 2012

### (1) Senior Research Fellows Sent Abroad

Name	Place (Country)	Host Institution	Research Topic
ABE Makoto	Seoul(Korea)	Korea Institute for International Economic Policy	Fostering Engineers in Korean Industrial Development
SHIMIZU Tatsuya	Lima(Peru)	Peruvian Center for Social Studies	Structural Changes of Agricultural Marketing in the Andean region
TAMURA Akihiko	Beijing (China)	China-Japan Long Term Trade Committee	Analysis on China's future direction on exchange rate adjustment and globalization of RMB
KAWAKAMI Momoko	Taipei (Taiwan)	Institute of Sociology, Academia Sinica	Inter-firm Dynamics and Innovation by Latecomer firms: the case of the Taiwanese Electronics Industry
	Berkeley (U.S.A)	Institute for Research on Labor and Employment, University of California, Berkeley	

TERAMOTO Minoru	Ha Noi (Vietnamu)	Institute of Sociology	Constructing the Welfare Regime in Vietnam under Doi Moi Period
	Ho Chi Minh (Vietnam)	Southern Institute of Sustainable Development	
KUMAGAI Satoru	Kuala Lumpur (Malaysia)	Malaysian Institute of Economic Research	Avoiding the Middle-Income Trap: The Case of Malaysia

## (2) Research Fellows Sent Abroad

Name	Place (Country)	Host Institution	Research Topic
Keola Souknilanh	Lund(Sweden)	Lunds University, Centre for East Asia and South-East Asian Studies	Economic Integration, Transport Cost and Industrial Location in Laos
MINATO Kazuki	New Delhi (India)	Institute of Economic Growth	Political Awareness and Voting Behavior in Uttar Pradesh
MACHIKITA Tomohiro	Copenhagen (Denmark)	Asia Research Centre, Copenhagen Business School	Empirical Analysis of Designing Organizations that Support Innovation
	Stanford (U.S.A)	Department of Economics, Stanford University	
TAKEUCHI Takayuki	Taipei (Taiwan)	Institute of Taiwan History, Academia Sinica	Cause and Convergence of Partisan Conflict in Taiwan on the International Status
TSUKADA Kazunari	Bangkok (Thailand)	Faculty of Economics, Thammasat University	An Empirical Study on Rural Land Markets in Thailand
DING Ke	Nanjing (China)	Department of International Economics and Trad, Nanjing University	The Role of Japanese Small and Medium Enterprises in China's Industrial Upgrading
SATO Chizuko	Cape Town (South Africa)	The Institute for Poverty, Land and Agrarian Studies, University of the Western Cape	Black Economic Empowerment in the South African Agricultural Sector: Case Studies of Wine and Sugar Industries

### **(3) Networking Activities**

The IDE conducted various international networking activities to serve as a centre of excellence for development studies. Activities in FY2012 are summarized as follows:

- Invited 3 experts and organized special lectures at JETRO headquarters and other meetings.
- Received 48 overseas visitors and organized seminars and meetings.
- Dispatched 23 researchers abroad for annual conventions of academic associations and international conferences.
- Build a research network with the following university:
  - Kanda University of International Studies (Chiba, Japan)

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## V. Publications

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Please visit the websites for publications at  
<http://www.ide.go.jp/English/Publish/index.html>

### < PERIODICALS >

#### **1. The Developing Economies (*Quarterly, in English*)**

Vol. 50, Nos. 2—4; Vol. 51, No. 1

This is an international and interdisciplinary forum for studies on social sciences relating to developing countries. It provides an opportunity for discussions and exchanges across a wide spectrum of scholarly opinions to promote empirical and comparative studies on the problems confronted by developing countries. It was established in 1962. This journal has been published by Wiley-Blackwell since 2006.

All texts of this journal up to Volume 43 (2005) and the abstract of each article after Volume 44 (2006) are available to read on the website.

<http://www.ide.go.jp/English/Publish/Periodicals/De/backnumber.html>

#### **2. Asian Economies (*Quarterly, in Japanese; Japanese title: Ajia Keizai*)**

Vol. 53, Nos. 4—6, Vol. 54, No. 1

This is a leading journal in Japan that publishes studies of development issues. It contains articles, theoretical and empirical notes, occasional reports of surveys and conferences, and book reviews, and is open for scholars and students to contribute their manuscripts. It was established in 1960.

All texts of this journal are available to read on the website one year after publication.

<http://www.ide.go.jp/Japanese/Publish/Periodicals/Ajia/backnumber.html>

#### **3. Ajiken World Trends (*Monthly, in Japanese; Japanese title: Ajiken Warudo Torendo*)**

Nos. 199—210

This analytical and informative magazine explores the future prospects of developing countries. It provides

the latest information on political, economic, and social issues, feature articles, and economic statistics of Asian countries. It was established in 1995.

All texts of this magazine are available to read on the website one year after its publication.

[http://www.ide.go.jp/Japanese/Publish/Periodicals/W\\_trend/backnumber.html](http://www.ide.go.jp/Japanese/Publish/Periodicals/W_trend/backnumber.html)

#### **4. Latin America Report (*Biannual, in Japanese; Japanese title: Raten Amerika Repoto*)**

Vol. 29, Nos. 1, 2

This report provides accurate analyses of information on the fluid Latin American region, and overviews various aspects of long-term social development in the region.

All texts of this report are available to read on the website one year after its publication.

<http://www.ide.go.jp/Japanese/Publish/Periodicals/Latin/backnumber.html>

#### **5. Yearbook of Asian Affairs 2012 (*Annual, in Japanese; Japanese title: Ajia Doko Nempo*)**

This yearbook provides an analytical overview of yearly economic and political affairs in Asian countries including Central Asian countries, with an outline of issues and news arranged in chronological order. Key economic statistics, governments' organization charts, and related documents are attached.

All texts of this yearbook are available to read on the website five year after its publication.

<http://www.ide.go.jp/English/Library/index.html>

### < BOOKS >

#### **1. IDE Research Series (*in Japanese, Japanese series name: "Kenkyu Sosho"*)**

No. 602 Kenji Otsuka, ed. *Governance on Water Environment in the Tai Lake Basin, China: Environmental Restoration through Dialogue and Collaboration*

Japanese title: Chugoku Taiko-ryuiki no mizu-kankyo gabanansu: Taiwa to kyodo niyoru saisei ni mukete

No. 603 Kozo Kunimune, ed. *The Global Financial Crisis and Policy Response in Developing Countries*  
Japanese title: Gurobaru-kin'yu-kiki to tojyo-koku-keizai no seisaku-taio

No. 604 Kumiko Makino and Chizuko Sato, eds. *Economic and Social Transformation in Democratic South Africa*  
Japanese title: Minami-afurika no keizai-shakai hen'you

No. 605 Tadayoshi Terao, ed. *The Formation of Environmental Policies in the Process of Economic Development: From the Viewpoint of "Development and the Environment"*  
Japanese title: Kankyo seisaku no keisei-katei: "Kaihatsu to kankyo" no shiten kara

No. 606 Koji Kubo, ed. *Myanmar and Vietnam: A Comparative Analysis of Transition Strategies and Economic Policies*  
Japanese title: Myanma to Betonamu no iko-senryaku to keizai-seisaku

## 2. IDE Selected Book Series (in Japanese, Japanese series name: "Ajiken Sensho")

No. 30 Masashi Nakamura, ed. *Comparative Politics of the Southeast Asia*  
Japanese title: Tonan-Ajia no hikaku seiji-gaku

No. 31 Masayuki Kobayashi, ed. *Employment Legislation for Disabled People in Asia*  
Japanese title: Ajia no shogai-sha koyo-housei: Sabetsu-kinshi to koyo-sokushin

No. 32 Takeji Ino and Ichiki Tsuchiya, eds. *Convulsion in Egypt: Background of 1.25 Revolution*  
Japanese title: Ejiputo doran: 1.25-kakumei no haikai

No. 33 Mari Nakamura and Tatsufumi Yamagata, eds. *Toward the Elimination of Child Labor*  
Japanese title: Jido-rodo teppai ni mukete: Ima watashi-tachi ni dekiru koto

## 3. Current Affairs Report Series (in Japanese, Japanese series name: "Josei Bunseki Repoto")

No. 18 Yoshiyuki Ogasawara and Yukihiro Sato, eds. *Reelected Taiwanese President Ma Ying-Jeou*  
Japanese title: Baeikyu saisen: 2012-nen Taiwan soto-senkyo no kekka to sono eikyo

## 4. "What Is Asia" Series (in Japanese, Japanese series name: "Ajia o Mirume")

No. 115 Nobuhiro Okamoto, *Principle of the Chinese Miraculous Development*  
Japanese title: Chugoku kiseki-teki hatten no "gensoku"

## < Downloadable Papers and Reports >

### 1. Research Papers (Japanese name: Chosa Kenkyu Hokoku-sho)

【IDE - Fukuoka Prefecture Joint Research Project FY2012】 International Environmental Corporation between Local Governments and the Perspectives of Environmental Business throughout Asia  
Michikazu KOJIMA ed.  
Japanese Title: Heisei 24 Nendo Fukuoka-ken Ajia Keizai Kenkyusho Renkei-jigyo: Jichitaikan Kokusai Kankyo Kyoryoku to Ajia eno Bijinesu-Tenkai

Notes and Problems in Multi-Region OLG/AGE Modeling (in English)  
Keiichiro OIZUMI, Kazuhiko OYAMADA, Masakazu SOMEYA, Ken ITAKURA eds.

Impacts of Periodic Floods in River Islands of North-West Bangladesh: Background and Research Questions (in English)  
Emtenan Ashraf, Md. Bayzid Hossin, Seiro ITO, Abu SHONCHOY eds.

Current State of Manufacturing Industries in Bangladesh  
Mayumi MURAYAMA, Tatsufumi YAMAGATA eds.  
Japanese Title: Banguradeshu Seizogyo no Gendankai

Land Property and Modern Agribusiness in Latin



America

Koichi KITANO ed.

Japanese Title: Raten-Amerika no Tochiseido to Aguribijinesu

Urbanization in China: Expansion, Instability and Social Management Mechanisms

Satoshi AMAKO, REN Zhe eds.

Japanese Title: Chugoku no Toshika: Kakucho, Fuantei to Kanri-mekanizumu

Political Economy of Cash Transfer in the Developing Countries

Koichi USAMI, Kumiko MAKINO eds.

Japanese Title: Genkin-Kyufu-Seisaku no Seiji-Keizaigaku

Political Participation in Latin America in the Era of “Post-neoliberalism”

Naokatsu UETANI ed.

Japanese Title: Posuto-Shin-Jiyushugi-ki niokeru Raten-Amerika no Seiji Sanka

The Power Structure of China’s State Development Reform Commission

Norihiro SASAKI ed.

Japanese Title: Chugoku Kokka-Hatten-Kaikaku-Iinkai no Kenryoku Kozo

Interim Report for Exploring Informal Networks in Kazakhstan: A Multidimensional Approach (in English)

Natsuko OKA ed.

International Reuse and Developing Countries

Michikazu KOJIMA ed.

Japanese Title: Kokusai Riyusu to Hatten-Tojokoku

Social Response and Governance for Sustained Ecological Crisis

Kenji OTSUKA ed.

Japanese Title: Chokika-suru Seitai Kiki eno Shakai Taiou to Gabanansu

Comparative Study of Formation Process of Resource and Environmental Management Policy Institution

Tadayoshi TERAOKA ed.

Japanese Title: Keizai Kaihatsu Katei niokeru Shigen

Kankyo Kanri Seisaku Seido no Keisei

Multinational Firms and Globalization of Developing Economies (in English)

Kiyoyasu TANAKA ed.

Education of Persons with Disabilities in Developing Countries: Issues regarding legal structure and school attendance

Masayuki KOBAYASHI ed.

Japanese Title: Kaihatsu Tojokoku no Shogaisha Kyoiku –Kyoiku Hosei to Shugaku Jittai–

Policy Challenges for Upgrading of the Guangdong Economy: From the Experiences of Japan

Guangdong Provincial People’s Government Development Research Center, IDE-JETRO eds.

Japanese Title: Kanton Keizai no Kodoka e muketa Seisaku Kadai –Nihon no Keiken kara–

The Present Situation and Challenges of Industrial Collaboration between Japan and Taiwan

TIER, IDE-JETRO eds.

Japanese Title: Nittai Sangyo Kyoryoku no Genjo to Kadai

Political Determinants of Social Policy (in English)

Takeshi KAWANAKA ed.

Methodology in Gender Analysis

Yuka KODAMA ed.

Japanese Title: Jenda Bunseki niokeru Hohoron no Kento

A Review of Research on Youth Unemployment: How to Apply for the Cases in Developing Countries

Mayumi MURAYAMA, Mari NAKAMURA eds.

Japanese Title: Wakamono no Shitsugyo Mondai Kenkyu Rebyu: Tojokoku Kenkyu eno En’yo no tameni

Historical Meanings of Doha Development Round

Hiroshi SATO ed.

Japanese Title: WTO Doha Raundo no Rekishiteki Igi

## 2. Discussion Paper Series

No. 352 Rajnish KUMAR, ArupMITRA and Mayumi

MURAYAMA, "Toiling Children in India: The Gender Dimension"

No. 353 Takeshi INOUE, "Central Bank Intervention and Exchange Rate Behaviour: Empirical Evidence for India"

No. 354 Kiyoyasu TANAKA and Yoshihiro HASHIGUCHI, "Spatial Spillovers from FDI Agglomeration: Evidence from the Yangtze River Delta in China"

No. 355 Shin ABE, Ryo TAKAHASHI, Akiko HARUNA, Eiji YAMAJI and Toshiyuki WAKATSUKI, "Farming Strategy of African Smallholder Farmers in Transition from Traditional to Alternative Agriculture: The Case of the Nupe in Central Nigeria"

No. 356 Tadashi ITO, "Revisiting the determinants of unit values"

No. 357 Maki AOKI-OKABE, "Increasing Popular Participation in the Treaty-making Process: The Legislative Process of Section 190 of the 2007 Constitution of Thailand"

No. 358 Koji KUBO, "Real Exchange Rate Appreciation, Resource Boom, and Policy Reform in Myanmar"

No. 359 Bo MENG, Yaxiong ZHANG, Jiemin GUO, and Yong FANG, "China's Regional Economies and Value Chains: An Interregional Input-Output Analysis"

No. 360 Ho Yeon KIM, "Shrinking Population and the Urban Hierarchy"

No. 361 Tadashi ITO and Toshihiro OKUBO, "New Aspects of Intra-industry Trade in EU Countries"

No. 362 Bo MENG, Yong FANG and Norihiko YAMANO, "Measuring Global Value Chains and Regional Economic Integration: An International Input-Output Approach"

No. 363 Kazunobu HAYAKAWA, "Firms' Use of

FTA Schemes in Exporting and Importing: Is There a Two-way Relationship?"

No. 364 Kazunobu HAYAKAWA, "Does the Use of Multiple FTAs Force Firms to Raise Local Input Share?: Evidence of the Spaghetti Bowl Phenomenon"

No. 365 Kuo-I CHANG and Kazunobu HAYAKAWA, "Selection and Utilization of the Early Harvest List: Evidence from the Free Trade Agreement between China and Taiwan"

No. 366 Kazunobu HAYAKAWA, "Impacts of FTA Utilization on Firm Performance"

No. 367 Bo MENG, Jinjun XUE, Kuishuang FENG and Dabao GUAN, "China's Inter-regional Spillover of Carbon Emissions and Domestic Supply Chains"

No. 368 Yuya KUDO, "Marriage as Women's Old Age Insurance: Evidence from Migration and Land Inheritance Practices in Rural Tanzania"

No. 369 Satoru KUMAGAI, Kazunobu HAYAKAWA, Ikumo ISONO, Souknilanh KEOLA and Kenmei TSUBOTA, "Geographical Simulation Analysis for Logistics Enhancement in Asia"

No. 370 Takeshi INOUE and Shigeyuki HAMORI, "Market Efficiency of Commodity Futures in India"

No. 371 Toshihiro KUDO and Satoru KUMAGAI, "Two-Polar Growth Strategy in Myanmar: Seeking "High" and "Balanced" Development"

No. 372 Kazunobu HAYAKAWA, "Impact of Diagonal Cumulation Rule on FTA Utilization: Evidence from Bilateral and Multilateral FTAs between Japan and Thailand"

No. 373 Kenta GOTO, "Is the Vietnamese Garment Industry at a Turning Point? Upgrading from the Export to the Domestic Market"

No. 374 Momoe MAKINO, "What Motivates Female Operators to Enter the Garment Industry in Pakistan in the Post-MFA Period?"

No. 375 Bo MENG, Yaxiong ZHANG and Satoshi INOMATA, "Compilation, Application and Challenge of IDE-JETRO's International Input-Output Tables"

No. 376 Koji KUBO, "Myanmar's Two Decades of Partial Transition to a Market Economy: A Negative Legacy for the New Government"

No. 377 Muhamad Takiyuddin Ismail, Ahmad Fauzi Abdul Hamid, "The Misconception of Political Lessons: How UMNO Perceives the Fall of LDP In Japan"

No. 378 Tadashi ITO, "Export Platform Foreign Direct Investment: Theory and Evidence"

No. 379 Yoshihiro NAKANISHI, "Post-1988 Civil-Military Relations in Myanmar"

No. 380 Kazuhiko OYAMADA, "Parameterization of Applied General Equilibrium Models with Flexible Trade Specifications Based on the Armington, Krugman, and Melitz Models"

No. 381 Miwa TSUDA, "Kenya after the 2007 "Post-Election Violence": Constitutional Reform and the National Accord and Reconciliation Act"

No. 382 Kazushi TAKAHASHI, "Pro-poor Growth or Poverty Trap?: Estimating the Intergenerational Income Mobility in Rural Philippines"

No. 383 Nudjarin RAMUNGUL, Etsuyo MICHIDA and Kaoru NABESHIMA, "Impact of Product-related Environmental Regulations/Voluntary Requirements on Thai Firms"

No. 384 Chizuko SATO, "Black Economic Empowerment in the South African Agricultural Sector: A Case Study of the Wine Industry"

No. 385 Koichiro KIMURA, "Outward FDI from Developing Countries: A Case of Chinese Firms in South Africa"

No. 386 Yutaka ARIMOTO, Seiro ITO, Yuya KUDO and Kazunari TSUKADA, "Stigma, Social Relationship and HIV Testing in the Workplace: Evidence from South Africa"

No. 387 Masahiro KODAMA, "Growth-Cycle Nexus"

No. 388 Koji KUBO, "Sources of Fluctuations in Parallel Exchange Rates and Policy Reform in Myanmar"

No. 389 Housam DARWISHEH, "From Authoritarianism to Upheaval: the Political Economy of the Syrian Uprising and Regime Persistence"

No. 390 Nanae YAMADA and Shuyan SUI, "Response of Local Producers to Agro-food Port Rejection: The Case of Chinese Vegetable Exports"

No. 391 Yasushi HAZAMA, "Health Reform and Service Satisfaction in the Poor: Turkey"

No. 392 Yasushi HAZAMA, "Economic Voting under a Predominant Party System"

No. 393 Norihiko YAMADA, "Re-thinking of "Chintanakan Mai" (New Thinking): New Perspective for Understanding Lao PDR"

No. 394 Natsuko OKA, "A Note on Ethnic Return Migration Policy in Kazakhstan: Changing Priorities and a Growing Dilemma"

No. 395 Aya SUZUKI and Vu Hoang Nam, "Status and Constraints of Costly Port Rejection: A Case from the Vietnamese Frozen Seafood Export Industry"

No. 396 Ke DING, Toshitaka GOKAN and Xiwei Zhu, "Search, Matching, and Self-Organization of a Marketplace"

No. 397 Junko MIZUNO, "An export strategy and technology networks in the Republic of Korea"

No. 398 Toshitaka GOKAN, "The location of manufacturing firms and imperfect information in transport market"

No. 399 Ikuo KUROIWA and Kenmei TSUBOTA, "Economic Integration, Location of Industries, and Frontier Regions: Evidence from Cambodia"

No. 400 Takayuki HIGASHIKATA, "Factor Decomposition of Income Inequality Change: Japan's Regional Income Disparity from 1955 to 1998"

No. 401 Mila KASHCHEEVA, "Political limits on the World Oil Trade: Firm-level Evidence from US firms"

No. 402 Hitoshi OTA, "India's Senior Citizens' Policy and an Examination of the Life of Senior Citizens in North Delhi"

No. 403 Yoshihiro HASHIGUCHI and Kiyoyasu TANAKA, "Agglomeration and firm-level productivity: A Bayesian Spatial approach"

No. 404 Yuka KODAMA, "Relationship between Young Women and Parents in Rural Ethiopia"

No. 405 Maki AOKI-OKABE, "Research Review: Searching for a New Framework for Thailand's Foreign Policy in the post-Cold War Era"

No. 406 Miki HAMADA, "Impact of Foreign Capital Entry in the Indonesian Banking Sector"

No. 407 Tadayoshi TERAOKA, "Political Economy of Low Sulfurization and Air Pollution Control Policy in Japan: SO<sub>x</sub> Emission Reduction by Fuel Conversion"

No. 408 Emi KOJIN, "The Development of Private Farms in Vietnam"

No. 409 Koichi KAWAMURA, "Presidentialism and Political Parties in Indonesia: Why Are All Parties Not Presidentialized?"

No. 410 Hikari ISHIDO, "Harmonization of Trade in Services by APEC members"

No. 411 Tsuruyo FUNATSU, "Changing Local Elite Selection in Thailand: Emergence of New Local Government Presidents after Direct Elections and Their Capabilities"

No. 412 Takahiro FUKUNISHI and Tatsufumi YAMAGATA, "Slow and Steady Wins the Race: How the Garment Industry Leads Industrialization in Low-income Countries"

No. 413 Chie KASHIWABARA, "The Central Bank and Bank Credits in the Philippines: A survey on Effectiveness of Monetary Policy and Its Measures"

No. 414 Futaba ISHIZUKA, "International Labor Migration in Vietnam and the Impact of Receiving Countries' Policies"

No. 415 Yasushi UEKI, "Formation of Supply Chain Collaboration and Firm performance in the Thai Automotive and Electronics Industries"

No. 416 Yasushi UEKI, "Supply Chain Collaboration and Responsiveness: A Comparison between Thai Automotive and Electronics Industries"

### < Co-publication with Commercial Publishers >

DING, Ke, ed., *Market Platforms, Industrial Clusters and Small Business Dynamics: Specialized Markets in China*, Cheltenham: Edward Elgar

KAWAKAMI, Momoko, *Condensed Industrial Development: Growth Mechanism of the Taiwanese Notebook Computer Manufacturers* (in Japanese), Nagoya: University of Nagoya Press

KUROIWA, Ikuo, ed., *Economic Integration and the Location of Industries: The Case of Less Developed East Asian Countries*, Basingstoke: Palgrave Macmillan

MORI, Soya, and Tatsufumi YAMAGATA, *Empirical Analysis of Disability and Development* (in Japanese), Tokyo: Keiso Shobo

SHIRAISHI Takashi, and Jiro OKAMOTO, eds., *Engaging East Asian Integration: States, Markets and the Movement of People*, Singapore: ISEAS

TSUCHIYA, Ichiki, ed., *Overseas Expansion of Companies in the Middle East Arab States* (in Japanese), Tokyo: Iwanami Shoten

UCHIMURA, Hiroko, ed., *Fiscal Decentralization and Development Experiences of Three Developing Countries in Southeast Asia*, Basingstoke: Palgrave Macmillan

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## VI. Commendation for Outstanding Publications

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### Awards for the Promotion of Studies on Developing Countries

In order to promote studies on developing countries, and to encourage researchers in Japan who are engaged in such studies, the IDE grants awards every year for outstanding publications on economic and other issues concerning developing countries. In 2012, a total of 49 books and papers published during the previous year were recommended for consideration by distinguished scholars in related fields. The selection committee, consisting of the members listed below, examined 6 books and eventually selected the publication shown below. The award was presented to the author by the IDE on July 2, 2012

#### Award-Winning Publication

#### *The Nation and Culture of Taiwan: From De-Japanization, Sinicization to Indigenization*

By SUGANO Atsushi

#### Members of the Selection Committee

OSADA Hiroshi (Professor, Teikyo University)

SAKAI Keiko (Professor, Tokyo University of Foreign Studies)

SUGIMURA Kazuhiko (Professor, Fukui Prefectural University)

HIROSE Takako (Professor, Senshu University)

MAKINO Fumio (Professor, Hosei University)

SHIRAISHI Takashi (President of the Institute of Developing Economies, JETRO)





## VII. IDE Library

The IDE Library, Japan's largest library specializing in developing regions, collects basic and academic social science literature on developing countries as well as the latest related information and statistical materials. The library makes these materials widely available to the general public, and in particular to researchers, students and people involved in business who have an interest in developing regions.

### 1. Library Collection

Since the founding of the institute, the library has placed emphasis on the collection of (1) publications of governments and public organizations in developing countries, (2) journals and newspapers, (3) research reports from universities and research institutes overseas and (4) statistical materials. In particular, through the exchange of IDE's publications with those of major overseas research institutes and government agencies, the library has made efforts to acquire publications that are difficult to obtain through commercial channels. As of the end of FY2012, the library exchanged publications with 1,025 institutions (Table 1).

With the cooperation of IDE research fellows sent abroad, the library collects local publications and materials that cannot be easily found in Japan. In particular, this fiscal year, the library has collected materials in vernacular languages and statistical materials from 16 countries such as Laos, Turkey and Kenya.

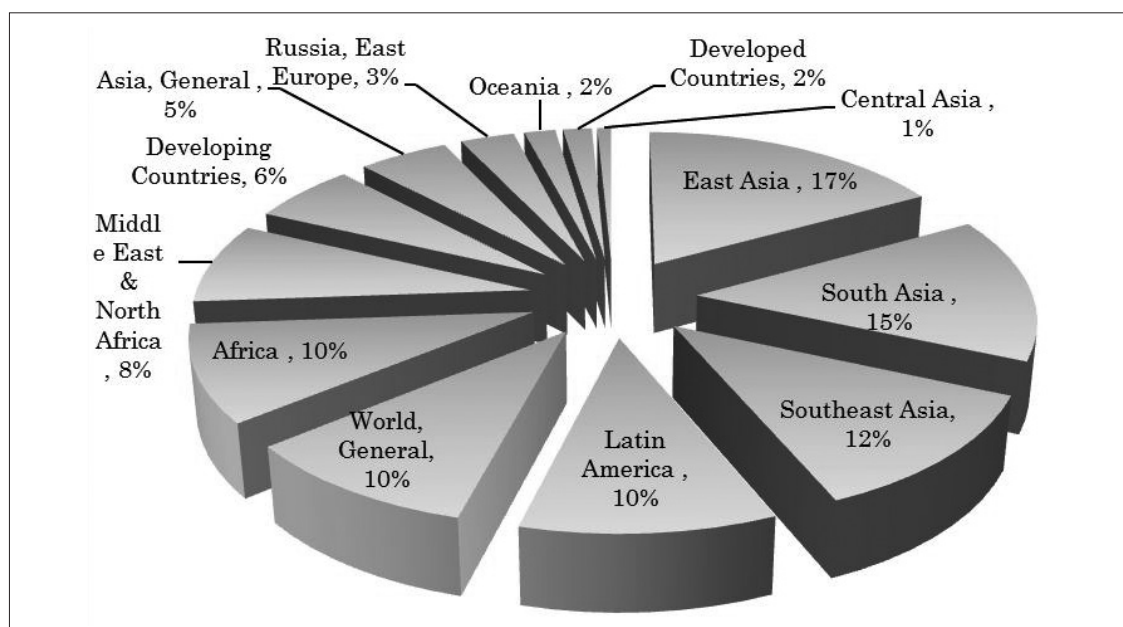
As of March 2013, the total number of volumes in the collection reached 638,110. The breakdown of the collection by languages and materials, as well as by region, is shown in Table 2 and Chart 1.

**Table 1. Partner Institutions for International Exchanges**

Region	International Institution	Government	Library	Research Institute	University	Bank	Corporation	Academic/General Organization, etc.	Total
Asia	16	217	13	82	138	34	1	48	549
East Asia	0	48	6	23	35	6	0	3	121
Southeast Asia	9	101	4	11	26	12	0	7	170
South Asia	0	58	1	26	14	10	1	1	111
Central Asia	0	5	0	0	0	5	0	0	10
Japan	7	5	2	22	63	1	0	37	137
Middle East and North Africa	2	37	2	9	14	29	0	4	97
Latin America	7	53	1	9	25	37	0	15	147
Africa	4	65	0	4	4	39	0	1	117
Oceania	1	10	1	1	8	2	0	1	24
CIS/Eastern Europe	0	5	1	5	2	1	0	0	14
North America	12	2	1	0	19	1	0	0	35
Western Europe	21	0	1	11	8	1	0	0	42
Total	63	389	20	121	218	144	1	69	1,025

**Table 2. New Arrivals and Collection in FY2012**

	New Arrivals in FY2012	End of FY2012
Books:		
Western	9,755	286,199
Japanese	1,894	92,340
Chinese	993	47,709
Korean	493	23,810
Bound journals	1,156	75,151
Statistical materials	3,948	112,901
Total	18,239	638,110
Newspapers (titles)	3	475
Periodicals (titles)	60	3,688
Maps (sheets)	5	54,123
Microfilms (reels)	266	87,264
Microfiche	0	48,406
Videotapes	1	446
Electronic media	443	5,489

**Chart 1. Breakdown of Collection by Region**

## 2. Services to Users

In FY2012, there were 5,086 visitors to the library. Looking at the visitors by occupation, they were comprised of graduate students and university faculty members (42.5%), personnel of private companies (14.4%) and others (43.0%), respectively.

In FY2012, to improve services for visitors and remote users, efforts were continuously made in the following

areas: (1) Selective Dissemination of Information (SDI) Service and (2) digital archives on the Internet. With regard to (1), as of the end of March 2013, there are 1,282 registered users. Regarding (2), we added 26 new books (273 PDF files) to AIDE (Archive of IDE publications), which brought the total number of AIDE materials to 1,064 volumes (11,024 PDF files). Seventy-eight articles were deposited in ARRIDE, and the total number of materials reached 953. In addition, visitors to our digital archives viewed a total of 2,475,011 pages and downloaded 1,743,144 files.

In FY2012, exhibitions of the special collections of the IDE Library were held as follows:

- Emerging Asian countries – insights from IDE studies (at Chiyoda Library, July-Aug. 2012)
- Book Exhibition on Africa – toward Tokyo International Conference on African Development V (TICAD V) (at Komaba Library, University of Tokyo, Nov. 2012-Jan. 2013)

The library provides reference services to answer inquiries about information, materials and statistical data on developing countries. In FY2012 there were 1,066 major inquiries and consultations.



## VIII. IDE Advanced School (IDEAS)

IDEAS was established as an education wing of the IDE. Since its inauguration in 1990, it has offered postgraduate-level programs in development studies in order to nurture experts who are able to deal with development issues that developing countries face today.

IDEAS offers two types of programs in parallel: a one-year program for Japanese students (September–July) and a six-month overseas fellows program for young government officials and researchers from Asian countries (October–March). During the first six months (October–March), many courses are offered jointly to the two groups in English, enabling close interaction between the Japanese students and overseas fellows. During the programs, fellows and students are expected to develop a comprehensive understanding of national development policies and learn how to propose solutions to problems existing in

developing countries. The programs emphasize the practical knowledge necessary to undertake development projects.

The main feature of the curriculum is an introduction consisting of structured cluster courses. In detail, the program provides six core courses including two intensive lectures in the first semester, in which both Japanese students and overseas fellows can learn together about the experiences of Japan and Asia in socio-economic development as well as contemporary issues of development. Through this curriculum, fellows and students are expected to acquire a higher capacity to become experts in the economic and social development of developing countries.

Most Japanese students who successfully complete the program proceed to a graduate school in development studies at an appropriate university abroad.

**Table 1. Number of Japanese Students and Overseas Fellows (1990-2013)**

Term	Japanese Students	Term	Overseas Fellows
1 (1990/10~1991/9)	13		
2 (1991/10~1992/9)	12	1 (1991/10~1992/3)	8
3 (1992/10~1993/9)	11	2 (1992/10~1993/3)	11
4 (1993/10~1994/9)	11	3 (1993/10~1994/3)	13
5 (1994/10~1995/9)	11	4 (1994/10~1995/3)	15
6 (1995/10~1996/9)	11	5 (1995/10~1996/3)	15
7 (1996/10~1997/9)	11	6 (1996/10~1997/3)	17
8 (1997/10~1998/9)	11	7 (1997/10~1998/3)	15
9 (1998/10~1999/9)	11	8 (1998/10~1999/3)	15
10 (1999/10~2000/9)	11	9 (1999/10~2000/3)	15
11 (2000/9~2001/7)	11	10 (2000/9~2001/3)	13
12 (2001/9~2002/7)	9	11 (2001/9~2002/3)	15
13 (2002/9~2003/7)	10	12 (2002/9~2003/3)	15
14 (2003/9~2004/7)	11	13 (2003/9~2004/3)	15
15 (2004/9~2005/7)	12	14 (2004/9~2005/3)	16
16 (2005/9~2006/7)	10	15 (2005/9~2006/3)	15
17 (2006/9~2007/7)	11	16 (2006/9~2007/3)	14
18 (2007/9~2008/7)	11	17 (2007/9~2008/3)	21
19 (2008/9~2009/7)	9	18 (2008/9~2009/3)	15
20 (2009/9~2010/7)	13	19 (2009/9~2010/3)	17
21 (2010/9~2011/7)	14	20 (2010/9~2011/3)	14
22 (2011/9~2012/7)	10	21 (2011/10~2012/3)	11
23 (2012/9~2013/7)	9	22 (2012/9~2013/3)	12
Total	253		317

## Training Program for Overseas Fellows

(October 2012–March 2013)

The training program for overseas fellows was initiated in 1991. The objective is to increase the absorption capacity of foreign aid in developing countries. The program is designed for young government officials who are in charge of socio-economic development policy, planning and implementation in governmental organizations in developing countries. The program provides opportunities to become familiar with the aid

administration policies of Japan and other developed countries as well as to study economic development in Japan and other Asian countries. In the current academic year, 11 government officials and researchers were invited from 11 Asian countries.

## Training Program for Japanese Students

(September 2012–July 2013)

In the 23rd academic year of this program, we trained 9 Japanese students selected from among 24 applicants.

## IDEAS Program Curriculum

(for FY 2012)

**Table 2.(1) Lectures for the 22nd Class of Overseas Fellows (October 2012–March 2013)**

Subject	Lecturer	Position	No. of Class
➤ Joint Lectures - Japanese Students and Overseas Fellows			95
International Trade • Investment • Finance			20
-Theory of International Trade and Investment, and the Asia Pacific Economy	ISHIDO Hikari	Associate Prof., Chiba University	6
-Infrastructure Development and Finance	KOYAMA Masahisa	Prof., Ritsumeikan University	8
-Political Economy of Asian Regional Integration	TERADA Takashi	Prof., Doshisha University	6
Development Experience of Japan			15
-Japanese Agricultural Development	ITAGAKI Keishiro	Prof., Tokyo University of Agriculture	7
-Industrial Policy and Policies for SMEs in Japan	MITSUI Itsutomo	Prof., Kaetsu University	6
-Social Development and Poverty Reduction	SATO Hiroshi	Director General, Research Planning Department, IDE	2
Contemporary Issues of Development			29
-Project Planning and Management	Le Thanh Nghiep Kuriki	Prof., Josai International University	8
-Trade in Value-added: A new perspective of international trade	INOMATA Satoshi	Director, Development Studies Center, IDE	1
-Development and Education	KOMATSU Taro	Former Associate Prof., Faculty of Languages and Cultures, Kyushu University	8
-Human Environment at Risk and the Food Security	TASAKA Koa	Member of Board of Trustees, Asian Rural Institute	3
-Environmental Policy in Japan	KOJIMA Michikazu	Director, Inter-disciplinary Studies Center, IDE	2



-Growth and Equality in Development	HIRASHIMA Shigemochi	Prof., Emeritus, Meiji Gakuin University	4
-Energy	HORII Nobuhiro	Associate Prof., Kyushu University	2
-Environment and Livelihoods: Case of Vietnam	SAKATA Shozo	Director, Southeast Asian Studies Group II, Area Studies Center, IDE	1
International Cooperation			8
-Recent Trend of Ideas and Modalities of Development Cooperation	HAYASHI Kaoru	Prof., Bunkyo University	6
-Development and Law, Governance	YAMADA Miwa	Director, Inter-disciplinary Studies Center, IDE	2
Intensive Lectures			20
-International Development, Global Poverty and the Post-2015 Development Agenda	David Hulme	Professor, School of Environment and Development, University of Manchester	10
-Trade and Development	KASAHARA Shigehisa	Economic Affairs Officer Division for Africa, Least Developed Countries and Special Programmes (ALDC) United Nations Conference on Trade and Development	10
Special Lecture			3
-Academic Writing	YAMAGATA Tatsufumi	Director-General, International Exchange and Training Department, IDE	1
-JETRO's Trade and Economic Cooperation Project	NEMOTO Hiroyuki	Director, Trade and Economic Cooperation Division, Trade and Economic Cooperation Department, JETRO	1
-Garment Industry and Workers in Developing Countries	Raymond Robertson	Professor of Economics at Macalester College	1
➤Lectures for Overseas Fellows			64
International Trade • Investment • Finance			8
-Practical Approaches to International Trade, Investment and Finance	TSUJI Tetsuhiko	Former General Manager, Sumitomo Corporation	6
-Economic Geography in Asia	KUMAGAI Satoru	Director, Inter-disciplinary Studies Center, IDE	2
Japanese Industry and Organization			13
-Japanese Economic Development: Features and Problems	TAKEUCHI Jozen	Visiting Prof., Zhejiang University	8
-Japanese Style Management	MIYAJIMA Hideaki	Prof., Waseda University	2
-Economic Theory and Practice of Public Finance	SATO Motohiro	Prof., Hitotsubashi University	3

Industrial Development in Developing Countries			5
-Firm's Strategy: Production, Marketing and Innovation	SATO Yuri	Director, Area Studies Center, IDE	1
	YAMAGATA Tatsufumi	Director-General, International Exchange and Training Department, IDE	1
	FUJITA Mai	Deputy Director, Area Studies Center, IDE	1
	FUKUNISHI Takahiro	Researcher, Area Studies Center, IDE	1
	KIMURA Koichiro	Researcher, Inter-disciplinary Studies Center, IDE	1
International Cooperation of Japan			1
-Outline of JICA	ISHIKAWA Takeo	Director, Training Program Division, JICA Chugoku International Center	1
Seminar			23
-Development Economics	YAMAMOTO Kazumi	Former Prof., Aichi University	10
-Economics in Practice	YAMAGATA Tatsufumi	Director, Development Studies Center, IDE	13
	TANAKA Kiyoyasu	Researcher, Inter-disciplinary Studies Center, IDE	
Japanese			12
-Japanese in Practice	ENDO Kumiko / TAKETOSHI Michiko / MATSUOKA Hirohiko / HATA Keiko	Japanese Instructor	12
Others			2
-Political Corruption and Transparency	OUCHI Minoru	Director, Transparency International Japan	2
TOTAL			159

**Table 3.(2) Lectures for the 22nd Class of Japanese Students (April 2012–July 2012)**

Subject	Lecturer	Position	No. of Class
➤ Lectures for Japanese Students			95
Intensive Lectures			10
-Environment and Sustainable Rural Development	Murat Arsel	Associate Professor, Agrarian and Environmental Studies Program, International Institute of Social Studies, Erasmus University	10

Development Theories			22
-Social Development (Social Entrepreneurship and Poverty Reduction)	TSUZAKI Hiroyuki	Director, ARUN LLC	1
(One Village One Product Movement as a Local Development Approach)	YOSHIDA Eiichi	Associate Prof., Yokohama City University	1
(Conflict)			1
-Disability and Development	MORI Soya	Deputy Director, Development Studies Center, IDE	4
-Environment and Development  (Environment and Trade)	KOJIMA Michikazu	Director, Inter-disciplinary Studies Center, IDE	1
	TERAO Tadayoshi	Senior Research Fellow, Inter-disciplinary Studies Center, IDE	2
	OTSUKA Kenji	Deputy Director, Inter-disciplinary Studies Center, IDE	2
	MICHIDA Etsuyo	Researcher, Inter-disciplinary Studies Center, IDE	1
-Population and Development	TAKAHASHI Hideyuki	Operating Director, Japanese Organization for International Cooperation in Family Planning (JOICFP)	2
-Program Evaluation Seminar	ITO Seiro	Director, Development Studies Center, IDE	3
-International Macroeconomics	KODAMA Masahiro	Deputy Director, Development Studies Center, IDE	4
Area Studies			32
-East Asia (South Korea)	OKUDA Satoru	Director, Area Studies Center, IDE	1
(Taiwan)	IKEGAMI Hiroshi	Researcher, Inter-disciplinary Studies Center, IDE	1
(China)	WATANABE Mariko	Director, Area Studies Center, IDE	1
-Southeast Asia (CLMV)	KUDO Toshihiro	ERIA Support Office	2
(Vietnam)	FUJITA Mai	Deputy Director, Area Studies Center, IDE	
(Cambodia)	HATSUKANO Naomi	Researcher, Area Studies Center, IDE	
(Politics)	KAWANAKA Takeshi	Senior Researcher, Area Studies Center, IDE	
(Malaysia)	KUMAGAI Satoru	Director, Inter-disciplinary Studies Center, IDE	1
(ASEAN)	SUZUKI Sanae	Researcher, Area Studies Center, IDE	1

(Indonesia)	KAWAMURA Koichi	Researcher, Area Studies Center, IDE	1
-South Asia (India)	KONDO Norio	Director, Area Studies Center, IDE	1
(Sri Lanka)	ARAI Etsuyo	Researcher, Area Studies Center, IDE	1
(Pakistan)	MAKINO Momoe	Researcher, Area Studies Center, IDE	1
-Central Asia	SHIMIZU Manabu	Prof., Teikyo University	2
-Middle East (Turkey)	HAZAMA Yasushi	Director, Area Studies Center, IDE	1
(Iran)	IWASAKI Yoko	Senior Research Fellow, Area Studies Center, IDE	1
(Economy)	TSUCHIYA Ichiki	Researcher, Area Studies Center, IDE	1
(Politics)	DARWISHEH Housam	Researcher, Area Studies Center, IDE	1
(Saudi Arabia • GCC)	FUKUDA Sadashi	Researcher, Area Studies Center, IDE	1
(Yemen)	SATO Hiroshi	Director-General, Research Planning Department, IDE	1
-Latin America (Introduction • Economy • Social Policy)	USAMI Koichi	Director, Area Studies Center, IDE	2
(Venezuela)	SAKAGUCHI Aki	Deputy Director, Area Studies Center, IDE	1
(Cuba)	YAMAOKA Kanako	Senior Research Fellow, Area Studies Center, IDE	1
(Brazil)	KONTA Ryohei	Researcher, Area Studies Center, IDE	1
(Mexico)	YONEMURA Akio	Researcher, Area Studies Center, IDE	1
-Africa	HIRANO Katsumi	Director General, Area Studies Center, IDE	3
	TAKEUCHI Shinichi	Director, Area Studies Center, IDE	1
	SATO Chizuko	Researcher, Area Studies Center, IDE	1
	FUKUNISHI Takahiro	Researcher, Area Studies Center, IDE	1

Seminar			17
-Social Development	SAKATA Shozo	Director, Area Studies Center, IDE	17
	MAKINO Kumiko	Researcher, Area Studies Center, IDE	
	MURAYAMA Mayumi	Deputy Director-General, Inter-disciplinary Studies Center, IDE	
-Economic Development	YAMAGATA Tatsufumi	Director-General, International Exchange and Training Department, IDE	17
	NOGAMI Hiroki	Senior Researcher, Development Studies Center, IDE	
	FUJITA Mai	Deputy Director, Area Studies Center, IDE	
English			15
-English Academic Writing	Paul Consalvi	English Instructor, International Education Center, Nichibei Kaiwa Gakuin	15
Special Lecture			1
-Economic Cooperation in the Pacific Islands	Niko Besnier	Professor of Cultural Anthropology in the Department of Sociology & Anthropology of the University of Amsterdam, Netherland	1
Others			12
-PCM (Project Cycle Management) Training	IKEDA Takaharu / MORITA Tetsuo	IC Net Limited	12
TOTAL			109

**Table 4.(3) Lectures for the 23rd Class of Japanese Students (September 2012–February 2013)**

Subject	Lecturer	Position	No. of Class
➤ Joint Lectures - Japanese Students and Overseas Fellows			95
International Trade • Investment • Finance			20
-Theory of International Trade and Investment, and the Asia Pacific Economy	ISHIDO Hikari	Associate Prof., Chiba University	6
-Infrastructure Development and Finance	KOYAMA Masahisa	Prof., Ritsumeikan University	8
-Political Economy of Asian Regional Integration	TERADA Takashi	Prof., Doshisha University	6
Development Experience of Japan			15
-Japanese Agricultural Development	ITAGAKI Keishiro	Prof., Tokyo University of Agriculture	7
-Industrial Policy and Policies for SMEs in Japan	MITSUI Itsutomo	Prof., Kaetsu University	6
-Social Development and Poverty Reduction	SATO Hiroshi	Director General, Research Planning Department, IDE	2



Contemporary Issues of Development			29
-Project Planning and Management	Le Thanh Nghiep Kuriki	Prof., Josai International University	8
-Trade in Value-added: A new perspective of international trade	INOMATA Satoshi	Director, Development Studies Center, IDE	1
-Development and Education	KOMATSU Taro	Former Associate Prof., Faculty of Languages and Cultures, Kyushu University	8
-Human Environment at Risk and the Food Security	TASAKA Koa	Member of Board of Trustees, Asian Rural Institute	3
-Environmental Policy in Japan	KOJIMA Michikazu	Director, Inter-disciplinary Studies Center, IDE	2
-Growth and Equality in Development	HIRASHIMA Shigemochi	Prof., Emeritus, Meiji Gakuin University	4
-Energy	HORII Nobuhiro	Associate Prof., Kyushu University	2
-Environment and Livelihoods: Case of Vietnam	SAKATA Shozo	Director, Southeast Asian Studies Group II, Area Studies Center, IDE	1
International Cooperation			8
-Recent Trend of Ideas and Modalities of Development Cooperation	HAYASHI Kaoru	Prof., Bunkyo University	6
-Development and Law, Governance	YAMADA Miwa	Director, Inter-disciplinary Studies Center, IDE	2
Intensive Lectures			20
-International Development, Global Poverty and the Post-2015 Development Agenda	David Hulme	Professor, School of Environment and Development, University of Manchester	10
-Trade and Development	KASAHARA Shigehisa	Economic Affairs Officer Division for Africa, Least Developed Countries and Special Programmes (ALDC) United Nations Conference on Trade and Development	10
Special Lecture			3
-Academic Writing	YAMAGATA Tatsufumi	Director-General, International Exchange and Training Department, IDE	1
-About Global Trade and Investment Report	YAMADA Naonori	Overseas Research Department, JETRO	1
-Garment Industry and Workers in Developing Countries	Raymond Robertson	Professor of Economics at Macalester College	1

➤ Lectures for Japanese Students			135
Development Theories			29
-Social Development (Introduction)	SAKATA Shozo	Director, Southeast Asian Studies Group II, Area Studies Center, IDE	1
(Industrial clusters and local area development)			1
(Working for Others' Development: Good will dose not secure Good Result)	SATO Hiroshi	Director General, Research Planning Department, IDE	1
(Development and Business)			3
(Rural Development and People's Organization)	IKENO Masafumi	KRI International Corp.	1
(AIDS)	AOKI Miyuki	SHARE (Services for the Health in Asian & African Regions)	1
(Microfinance)	YOSHIDA Hidemi	Associate Prof., Hosei University Graduate School	1
(Role of Facilitators in Social Development)	OTA Miho	Assistant Prof., Tamagawa University	1
(Housing Problem )	KONTA Ryohei	Researcher, Area Studies Center, IDE	1
(International Development Cooperation by Japanese NGOs and NGOs in Asian Countries)	ITO Michio	Prof., Graduate School of Social Design Studies, Rikkyo University / Representative, Asian Community Center 21	4
(Conflict)	TAKEUCHI Shinichi	Director, African Studeis Group, Area Studies Center, IDE	2
-Development Economics	ODA Hisaya	Prof., Ritsumeikan University.	12
Economics and Mathematics for Social Science			56
-Micro Economics	YAMAGATA Tatsufumi	Director General, International Exchange and Training Department, IDE	21
-Macro Economics	KODAMA Masahiro	Researcher, Development Studies Center, IDE	8
-Mathematics for Economics (Linear and Nonlinear Functions)	KUWAMORI Hiroshi	Deputy Director, Development Studies Center, IDE	6
(Differential Calculus)	KUDO Yuya	Researcher, Development Studies Center, IDE	6
-Mathematical Statistics	UEMURA Jinichi	Director, Development Studies Center, IDE	15
Seminar			15

-Seminar	YAMAGATA, SAKATA, SATO Hiroshi, FUJITA, TAKAHASHI Kazushi, MAKINO	Researchers, IDE	15
English			35
-English Academic Writing	Paul Consalvi	English Instructor	15
-TOEFL (Elective)	KAMATA Rex	English Instructor	10
-IELTS (Elective)	Martyn White	English Instructor	10
Special Lecture			2
-Social Business Program	KARAKAWA Yasuhiro	Representative of SGE Asia Program at Center for Sustainable Global Enterprise, Johnson Graduate School of Management, Cornell University	1
	YAMAGATA Tatsufumi	Director General, International Exchange and Training Department, IDE	1
TOTAL (*incl. elective subjects)			230

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## IX. Support Activities for ERIA

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JETRO continues to conduct activities supporting the Economic Research Institute for ASEAN and East Asia (ERIA).

### 1. Objective of Activities

The objective of these activities is to contribute to policy efforts to promote both comprehensive development of the Asian economy and growth of the Japanese economy through collaboration with relevant organizations such as the Ministry of Economy, Trade and Industry (METI), by supporting the Economic Research Institute for ASEAN and East Asia (ERIA), an international organization established in June 2008 by the 16 East Asia Summit member countries to conduct policy research and formulate policy recommendations towards greater East Asia.

### 2. Activities in FY2012

In close linkage with 15 regional research institutes and in consultation with METI, JETRO has been working on a variety of activities, including research, capacity building and dissemination of research findings, with the Institute of Developing Economies serving as the secretariat for the Research Institute Network (RIN) and JETRO Bangkok as a local administrative office for such activities, in cooperation with JETRO's Overseas Research Department and overseas offices.

#### 1) Research Projects

Under one of ERIA's three research pillars, 'Narrowing the Development Gaps', JETRO, under contract with ERIA, conducted two policy research projects focusing on East Asian economic integration along with seven other independent research projects in Bangkok, etc., to support ERIA's research activities related to Japan's national interests.

IDE-JETRO also conducted the three-year joint research project titled 'Green Growth in Asia' with ERIA and the United Nations Industrial Development Organization (UNIDO), which had started in FY2011 to suggest appropriate policy options based on its research results for the Asian region and countries facing and tackling

environment- and energy-related concerns.

#### <ERIA Policy Research Projects Contracted with ERIA>

- (1) "Geographical Simulation Analysis for Eliminating the Infrastructure Bottlenecks Toward Balanced Growth in East Asia"
- (2) "Innovation Between and Within Supply Chain: Empirical Study of Tracing Local and Global Production-Knowledge Network in East Asia"

#### <Independent Research Projects Related to the National Interest of Japan>

- (1) ASEAN Economic Integration and Myanmar Economy
- (2) A Study on Regional Development of Border Area in the Mekong Region
- (3) Deepening of Corporate Global Activities in East Asia
- (4) Business expansion of small and medium-sized parts suppliers in Asia – Challenges and countermeasures –
- (5) Logistics Services in ASEAN – Current situation and challenges –
- (6) Japanese affiliated companies' business needs and case study for industrial human resource business in ASEAN
- (7) Survey on "Business Needs and Strategies in the Mekong Sub-Region" 2012

#### <ERIA/IDE-JETRO/UNIDO Joint Research Project 'Green Growth in Asia'>

- (1) Impact of Production-Related Environmental Regulations on International Trade and Technological Spillover through the Supply Chain in Asia
- (2) How to 'Green' the Demand in Developing Economies? Empirical Industrial Organization Analysis on Diffusion of Energy Saving Appliances
- (3) Development of Green Industries in the Asian region: The needed factors and what policies can do

#### 2) Capacity Building

A number of programs were carried out with the aim

of improving the policy-research and policy-proposing capacity of local policy makers and researchers, in particular in the CLMV countries (Cambodia, Laos, Myanmar and Vietnam). JETRO Bangkok (Bangkok Research Center) assisted ERIA in conducting a program titled 'Dispatch of Lecturers in CLMV Countries' with the above-mentioned aim. A total of 841 individuals from the CLMV countries participated in the program.

### **3) Seminar/Symposium**

To disseminate the results of studies conducted by JETRO Bangkok (Bangkok Research Center), seminars on the current status of East Asia were held for Japanese companies, etc., twice in Bangkok, Thailand. (Total participants at those seminars: 185.) As a part of the ASEAN Road Show, IDE-JETRO and ERIA jointly organized the FTA Symposium on "Toward Economic Integration in ASEAN and East Asia" on 27 April 2012 in Tokyo, Japan. In addition, JETRO assisted ERIA in organizing the following 3 events; the ERIA Sendai Symposium "Towards a Disaster Resilient Economy in East Asia" on 26 April

2012 in Sendai, Japan; and the ERIA Fukuoka Forum "Economic Integration in East Asia: Opportunities and Challenges for Japanese SME" on 14 February 2012 in Fukuoka, Japan, jointly held by ERIA and Fukuoka Prefecture.

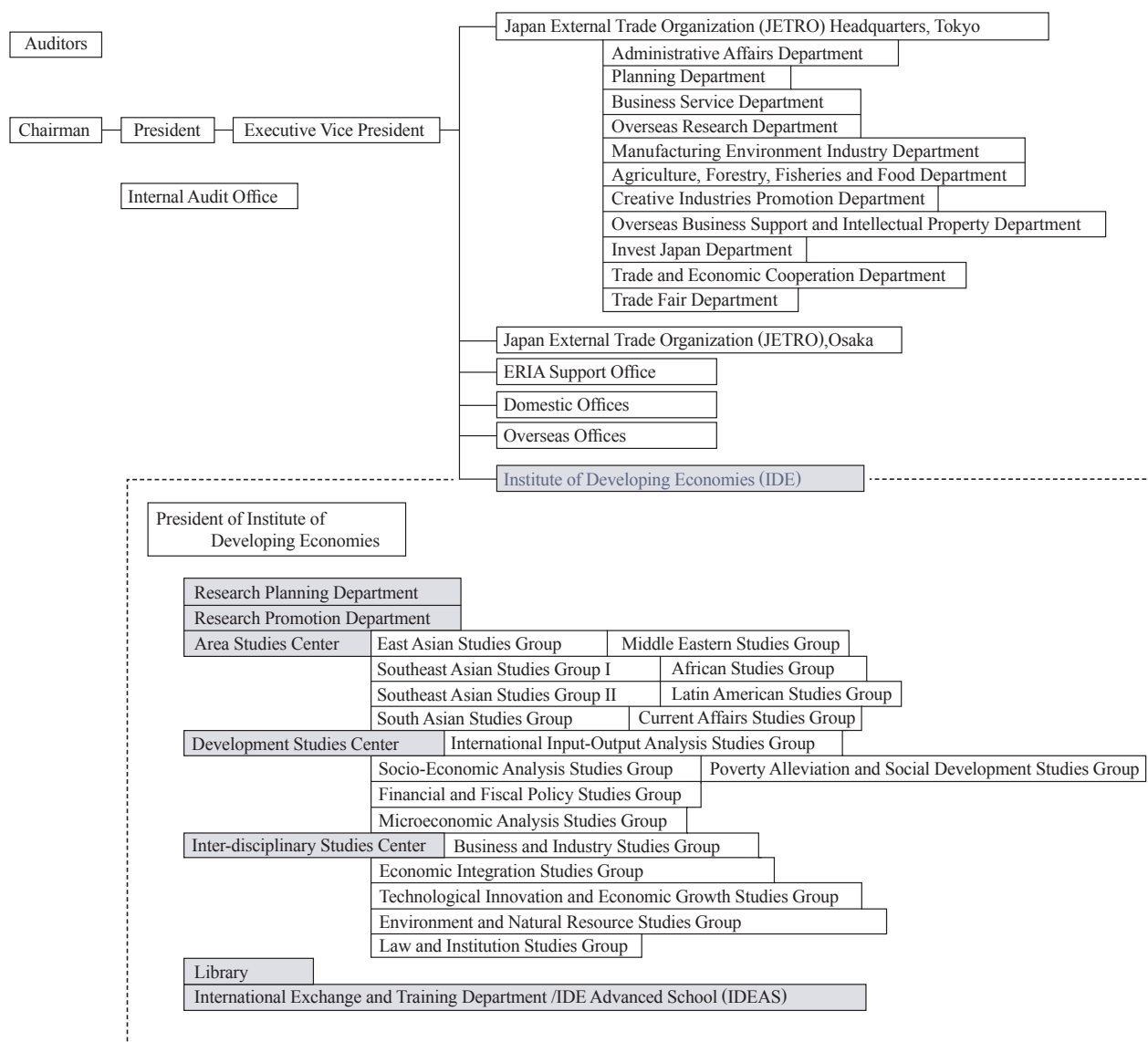
### **4) Secretariat for the Research Institutes Network**

The Research Institutes Network (RIN) was formed by research institutes from 16 countries with the objective of supporting ERIA activities by providing research results and information to ERIA as well as offering advice concerning ERIA's research agenda and policy recommendations. JETRO has played a leading role in organizing RIN meetings, with IDE-JETRO acting as the Japanese representative to RIN and with JETRO Bangkok (Bangkok Research Center) serving as RIN's administrative office. Meetings were held twice, on July 28, 2012 in Bangkok and on October 29, 2012 in Phnom Penh. At the second meeting, the RIN Statement 'Regional Comprehensive Economic Partnership' was drafted and reported to ERIA.



## X. Organization

### 1. Organization Chart



### 2. Budget for Fiscal Year 2013

(Unit: ten thousand yen)

《Income》	3,363,489
Government grant	3,143,597
Other income	219,892
《Expenditure》	3,363,489
Research	342,723
Publications, Seminars and Lectures	94,478
Expenses for supporting activities towards the establishment of ERIA	304,107
Personal costs and related expenses	2,601,145
Research of contract basis	21,036

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## Appendix

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### Research Projects for FY2013

#### <Policy Proposal Research>

**The Experience of WTO Doha Development Agenda and its Impact of LDCs: For the Future of Development Friendly Trade Rules**

SATO Hiroshi

**Towards Contributions for International Peace-keeping Systems in the Middle East and the South Asia**

SUZUKI Hitoshi

**How to Escape Middle Income Trap: Strategies toward High Income Economies**

NABESHIMA Kaoru

**Trade in value-added analysis: an extension to developing economies**

INOMATA Satoshi

**Aid Policy Study: Real Politics of Development Assistance**

HIRANO Katsumi

**Upgrade of Guangdong Economy and Agendas for China-Japan Economic Partnership**

MARUYA Toyojiro (Professor, Research Institute for Regional Economics, Fukui Prefectural University)

**ERIA/IDE-JETRO/UNIDO Joint Research Project “Green Growth in Asia”**

**1. Impact of Production-Related Environmental Regulations on**

**International Trade and Technological Spillover through Supply Chain in Asia**

MICHIDA Etsuyo

**ERIA/IDE-JETRO/UNIDO Joint Research Project “Green Growth in Asia”**

**2. How to “green” the Demand in the Developing Economies? Empirical Industrial Organization Analysis on Diffusion of Energy Saving Appliance**

WATANABE Mariko

**ERIA/IDE-JETRO/UNIDO Joint Research Project “Green Growth in Asia”**

**3. Development of Green Industries in Asian region: the needed factors and what policies can do**

HORII Nobuhiro (Associate professor, Kyushu University)

**Study on Possible Pathways to the Free Trade Area of Asia-Pacific(FTAAP)**

HIRATSUKA Daisuke

#### **Analytical Research Contributing to Policy Proposals**

#### <Policy Issue Research>

**The Politics of Redistribution in New Democracies**

KAWANAKA Takeshi

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