

II. REVIEW OF RESEARCH PROJECTS

POLICY PROPOSAL RESEARCH

1. Sisi's Egypt: Resurgence of Authoritarian Order and Its Prospects

In Egypt, the second transition period started after the removal of President Morsi in July 2013. The transition was completed by the end of 2015, and now the Sisi administration, formed in June 2014 with overwhelming popularity, seeks to promote social stability and economic growth.

The essence of the Sisi regime is to re-strengthen authoritarianism and to exclude political opponents without making any compromises. Such a policy clearly entails restrictions on political freedom, which was one goal of the January 25th Revolution. However, such a move was justified in return for realizing stability and growth.

However, since the beginning of 2016, the Sisi government has come to face sustained public criticism of its rule. The government has been criticized for the failing economy, fragile security conditions, and human rights abuses against ordinary citizens. As a result, the Sisi administration faces a predicament. To overcome these difficulties, the government first needs to take an aggressive approach to help the ailing economy quickly. The year 2016 may be the one in which the government faces a crucial moment.

For Japanese companies, these developments could provide good opportunities to join the mega projects in Egypt since the Egyptian government has a strong desire to attract foreign investment in their projects. However, since the Sisi administration follows a developmentalism approach, the Japanese government should assist in facilitating Japanese companies' business activities.

Organizer: TSUCHIYA Ichiki (Area Studies Center, IDE)

Co-researchers: INO Takeji (Professor, Wayo Women's University), IWASAKI Erina (Professor, Sophia University), KANAYA Misa (Research Fellow, Middle East Institute of Japan), IDO Yuko (Ph.D. Student, University of Tokyo), SUZUKI Emi (Researcher, Waseda University), TAKUMURA Kazuaki (Ph.D. Student, University of Tokyo)

2. Comprehensive Research on the Kurds for the Kurdish Studies Research Platform

As preparation for launching a new study project on Kurdistan, we asked several Japanese researchers who study Kurdish issues in the context of minority problems in Iraq, Iran, Syria, and Turkey. Most of them willingly participated in our research project, and we succeeded in developing a proper platform for Kurdish studies in Japan, based on which we conducted six research meetings during the fiscal year 2015.

As Kurdish people are "the largest ethnic group without a nation state," outsiders may imagine their enthusiastic quest to establish their own united Kurdish state. However, most of our study group members think such an aim is too unrealistic because each Kurdish community in separate Middle Eastern countries, such as Iraq, Iran, Syria, and Turkey, now face different social environments and cultural orientations according to their host country's situation. Nevertheless, they are demanding greater self-reliance in governing their community in the context of their respective host countries.

Of course, examining the experience of the Iraqi Kurdistan government, other Kurdish people in surrounding countries are also searching for the possibility of establishing similar semi-independent governments of their own. The victory of Kobani (Ayn-al-Arab) in October 2015 especially gave momentum for independent Syrian Kurds.

Observing these developments, the Turkish government became increasingly sensitive about Kurds in their country. It expanded its policy of attacking the PKK, which resulted in a response of several suicide bomb attacks in Turkish cities, such as Ankara and Istanbul, in 2016.

Turkey is now hoping to invite Japanese companies to invest in Turkey to accelerate its economic growth, but uncertainty about security discourages potential investors.

In this situation, the need for information on Kurds is expected to grow. We will continue this research

project next fiscal year and attempt to disseminate basic, current information on Kurds to the Japanese public.

Organizer: SATO Hiroshi (Research Planning Department, IDE)

Co-researchers: YOSHIDA Akiko (Senior Researcher, Institute of Energy Economics, Japan), YAMAGUCHI Akihiko (Professor, University of Sacred Heart, Tokyo), MORIYAMA Teruaki (Associate Professor, Doshisha University), NUKII Mari (Research Fellow, Japan Institute of International Affairs), INAI Kohei (JSPS Research Fellow), KATSUMATA Ikuko (Journalist), TAKAHASHI Kazuo (Professor, Open University of Japan)

3. Contemporary Africa

African regional GDP is dependent on commodity prices and, in particular, the price of crude oil. Thus, African economic growth is expected to rapidly decelerate due to the fall in crude oil prices that started in the latter half of 2014. Exacerbating these problems, African countries have seen their currencies weaken against the US dollar; thus, the growth rates of GDP and GDP per capita in US dollars may become negative.

This economic slowdown means that local governments, local companies, and foreign companies will face fierce competition for survival. African economies must be strengthened by rising to these challenges and beating the competition.

Organizer: HIRANO Katsumi (Executive Vice President, IDE-JETRO)

Co-researchers: OKADA Shigeki (IDE), TAKEUCHI Shinichi (IDE), SHIRATO Keiichi (Senior Analyst, Mitsui Global Strategic Studies Institute), TAKEHARA Mika (Japan Oil, Gas and Metals National Corporation, JOGMEC), ONO Izumi (Professor, National Graduate Institute for Policy Studies)

4. Aid Policies of China and Japan

Japan's aid program had its sixtieth anniversary in 2014, and the Ministry of Foreign Affairs established a new "Development Cooperation Charter," which proclaims an aid policy based on national interests.

International aid and a development assistance regime, which was created as a vehicle to manage the post-WWII world, now faces challenges from China. China's policy of "South-South cooperation" has advanced to a more global phase, exemplified by the establishment of the Asia Infrastructure Investment Bank and the New Development Bank.

The development assistance policies or economic cooperation policies of Japan and China share some characteristics. To compare both countries' policies and help upgrade Japan's aid policy, this project organized an international conference, "Aid as External Economic Policy: Cases of Japan and China." The invitees included Professor Deborah Bräutigam from the Johns Hopkins University School of Advanced International Studies (SAIS), Dr. Xu Hongcai (Director of Economic Research Department of China Center for International Economic Exchanges (CCIEE)), and Professor Shin Kawashima (Graduate School of Arts and Sciences, University of Tokyo). As China's activities in Africa have been drawing attention across the world as well as in Japan, the symposium attracted a large audience and spurred active discussions.

Organizer: HIRANO Katsumi (Executive Vice President, IDE-JETRO)

Co-researchers: ONISHI Yasuo (IDE), SATO Hiroshi (IDE)

5. Trade in Value-added Analysis: An Extension to Developing Economies (III)

Approximately ten years ago, the Institute of Developing Economies carried out a project for developing the "2000 Transnational Interregional Input-Output Table between China and Japan." This dataset aimed to link the interregional input-output table of China with that of Japan, which was utilized for analyzing changes in industrial clusters and production networks in China's coastal regions after the country's

accession to the WTO in 2001. Then, a further collaboration with the Bank of Korea, the “2005 Transnational Interregional Input–Output Table for China, Japan, and Korea” was completed last year, garnering international attention especially from researchers in the field of Global Value Chains analysis.

Based on these previous efforts, this research group aimed to construct a new dataset, the “Regionally Extended OECD Inter-Country Input–Output Table,” which aims to incorporate the regional information of China and Japan as drawn from the previous “Transnational Interregional Input–Output Tables” into the OECD’s Inter-Country Input–Output Table, which covers 62 countries for the year 2005. This new dataset will enable us to analyze production linkages across borders on a region-to-region basis, not only for China and Japan vis-à-vis East Asian countries, as covered by the previous tables, but also with regard to major economies like the EU and BRICs, as covered by the OECD Inter-Country Input–Output Tables.

Organizer: INOMATA Satoshi (Development Studies Center, IDE)

Co-researchers: MENG Bo (IDE), HAYAKAWA Kazunobu (IDE), SHIBATA Tsubasa (IDE), KIM Jiyong (IDE)

6. Economic, Industrial, and Trade Development Visions for Lao PDR

Lao PDR is a land-locked country with a small population, and its labor-intensive industries seem unsustainable. In this regard, Lao PDR needs to have a different economic growth strategy from that of Thailand or Vietnam. This research project found that services liberalization would be a reasonable policy orientation for economic growth in Lao PDR. Another possible policy recommendation is to simplify its complex investment procedures.

Organizer: ISHIDA Masami (Development Studies Center, IDE)

Co-researchers: KEOLA Souknilanh (IDE), ISONO Ikumo (IDE), TANAKA Kiyoyasu (IDE), UEKI Yasushi (IDE; ERIA)

7. Business and Human Rights in Emerging Markets: Designing Japan's CSR Strategies

The concept of a “Responsible Supply Chain” was raised at the G7 Elmau Summit Declaration in June 2015. This has had a great impact and strong implications on supply chains in the business sector as well as on ways of regulating and supporting private business sectors. The trend of regulating supply chains includes the Transparency Supply Chain Act in California, Modern Slavery Act in the UK, and the Recommendations relating to Protocol to ILO Convention 29 on abolishing forced labor. In these surroundings, Japanese businesses, which tend to equate responsibilities with compliance, must inevitably respond to different disclosure regulations and requirements in different markets. Thus Japanese businesses need to foster their accountability and ability to tell others what they are doing. Furthermore, it is desirable that the Japanese government holds policies and supports business entities to foster their abilities while EU member states and the US have been taking a “smart mix” of measures under UNGPs by developing NAPs.

Organizer: YAMADA Miwa (Inter-disciplinary Studies Center, IDE)

Co-researchers: SATO Hiroshi (IDE), HIRANO Katsumi (IDE), KOBAYASHI Masayuki (IDE), USHIJIMA Keiichi (Principal Fellow, Ernst & Young Japan), KINOSHITA Yukako (CSR Committee Chair, Japan Business Council in Europe), TAKAHASHI Daisuke (Attorney at Law, Shinwa Sohgo Law Offices), ARIMA Toshio (Executive Adviser, Fuji Xerox Co., Ltd. / Chairman of the Board for the Global Compact Japan Network), KURODA Kaori (Executive Director, CSO Network Japan), SEKI Masao (Senior Advisor on CSR, Sampo Japan Nipponkoa / Chairman of the Steering Committee, Council for Better Corporate Citizenship: CBCC), TASE Kazuo (Executive Officer, Deloitte Tohmatsu Consulting LLC), TOMITA Hidemi (Group Manager, Business Planning & Marketing Group, LRQA Japan, Lloyd’s Register Quality Assurance Limited), YAMAGUCHI Yoshitake (Toshiba Corporation / Chairman of the WBSD Task Force, Committee on Environment and Safety, Keidanren [Japan Business Federation])

8. China's Pilot Free Trade Zone: Current Situation and Prospects

This project has three purposes. First, it aims to investigate the actual conditions of China's Pilot Free Trade Zones (PFTZ) to develop conclusions regarding policies of reform and openness. Second, it seeks to verify disagreements between Western countries and Japan in their assessment of PFTZ. Third, it aims to carry out trend surveys for China's FTA negotiations, which are independent of TPP negotiations.

PFTZ deregulation was pushed through "negative-list" style, and the Chinese government expanded its geographical extent. Now China has four PFTZs, namely, those in Shanghai, Tianjin, Fujian, and Guangdong, which face two tasks. First, they need to promote reform measures by easing regulations for foreign companies. Second, they must verify the influences and problems of advanced deregulations. However, the speed with which deregulation is implemented has decreased in speed recently. Resistance mainly stems from central government bureaucrats. We believe that the Japanese government should support requests from the Japanese Chamber of Commerce to expedite deregulation.

In addition, PFTZ offers new opportunities for Chinese companies to undertake foreign direct investment. Deregulation of cross-border e-commerce provides new business opportunities. The "One Belt, One Road" initiative will also promote foreign trade and foreign direct investment. We recognize that this new initiative will move in connection with PFTZs.

Organizer: ONISHI Yasuo (Inter-disciplinary Studies Center, IDE)

Co-researchers: DING Ke (IDE), ISONO Ikumo (IDE), IKEBE Ryo (JETRO), HAKOZAKI Dai (JETRO), ISHIDO Hikari (Professor, Faculty of Law, Politics and Economics, Chiba University), OHASHI Hideo (Professor, School of Economics, Senshu University), OIZUMI Keiichiro (Japan Research Institute, Ltd.), SAITO Naoto (Daiwa Institute of Research Ltd.)

ANALYTICAL RESEARCH CONTRIBUTING TO POLICY PROPOSALS

[1] Policy Issue Research

1. Land Policies in Post-Cold War Africa

The post-Cold War period has seen a sea change of policies concerning land in many African countries. Focusing on this continental and simultaneous policy changes across this continent, this research project aims at clarifying their causes and impacts on African societies. Since the 1990s, the establishment of land-tenure security has been prioritized based on a broad consensus that previous land policies, whether granting empowerment of state authorities over land or provision of private property rights through land registration, had failed to ensure such security. In this context, the merits of customary land tenure have generally been recognized, although the necessity of formalizing land rights in cases of land scarcity has been also stressed, and land administration has been actively decentralized in order to address local needs. In addition, the "land grabbing" phenomenon widely observable in Africa since the late 2000s, has made clear that enactment of progressive land laws will not necessarily ensure land tenure security if their effective implementation and enforcement are not ensured. Recently, land policies tend to be increasingly connected to and located within governance-related policies. In FY 2015, which is the first year of this two-year project, each project member tried to deepen understanding of current land policies as well as land-related problems in a particular country of interest through extensive literature survey and field researches. In FY 2016, various impacts of these policies, particularly on rural changes, will be examined in detail in the context of each country.

Organizer: TAKEUCHI Shinichi (Area Studies Center, IDE)

Co-researchers: KODAMA Yuka (IDE), TSUDA Miwa (IDE), SATO Chizuko (IDE), AMINAKA Akiyo (IDE), IKENO Jun (Professor, Graduate School of Asian and African Area Studies, Kyoto University), OCHIAI Takehiko (Professor, Faculty of Law, Ryukoku University), OYAMA Shuichi (Associate Professor, Graduate School of Asian and African Area Studies, Kyoto University)

2. Labor Force Participation and Unemployment in Southern Africa

This project aimed to identify the correlates of unemployment and understand the mechanism behind it. To this end, multiple waves of field surveys were conducted to construct a panel data set for townships of Western Cape, South Africa.

Over the course of the project, we have produced three background papers. Two are theoretical papers drawing on field observations and collected data; one covers heterogeneous matching in job search and the other elucidates the three factor discounting rate. The third paper is an empirical analysis on job turnover and employment spells that found a negative correlation between duration of initial unemployment and subsequent employment intensity.

Organizer: ITO Seiro (Development Studies Center, IDE)

Co-researcher: Rulof Burger (Senior Lecturer, Department of Economics, Stellenbosch University)

3. Skills Development for Youth in Africa

This research project aims to understand mechanisms and constraints of existing skill development institutions in both public and private sectors. In the first year of the two-year project, the work progressed as described in the interim report. Two papers illustrated changes in skill development policy within the international development community and national policy of Ethiopia, respectively. Two papers offered preliminary analysis of the performance of vocational school graduates in Ethiopia and Ghana, using large sample datasets of workers. While preparing the datasets for analysis, research questions were identified based on interviews with workers, ministries, private sectors, and schools in both countries. In the other paper, a theoretical framework of skills development in the private sector is examined, focusing on organizational learning. The project's second year will consider applications to micro firms in Kenya.

Organizer: FUKUNISHI Takahiro (Area Studies Center, IDE)

Co-researchers: MACHIKITA Tomohiro (IDE), YAMADA Shoko (Associate Professor, Graduate School of International Development, Nagoya University), TAKAHASHI Motoki (Professor, Graduate School of International Cooperation Studies, Kobe University), DEMACHI Kazue (Lecturer, Graduate School of International Cooperation Studies, Kobe University), SHIMAZU Yuki (Graduate School of International Development, Nagoya University)

4. Economic Analysis of Trade Policy and Trade Agreements

A recent development of production fragmentation has spurred demand for deeper integration and more individualized agreements than those promoted by the World Trade Organization (WTO).

The goal of this research project is to examine recent trade policies and trade agreements by focusing on issues such as outsourcing, FDI, natural persons' mobility, labor issues, and antidumping. Research topics studied in this project are broadly categorized into (i) firm-level transactions with market imperfections, (ii) dynamic aspects of foreign direct investment (FDI), and (iii) effects of preferential trade agreements. The research project produced the following eight research papers.

Sato's paper proposes a simple model of foreign outsourcing with matching frictions and a home bias in firms' acquisition of intermediate goods, and shows that the government may use a rent-shifting trade policy rather than mitigating production inefficiencies caused by the home bias. Sugita et al. develop a positive assortative matching model with firm heterogeneity to examine the matching of exporters with importers and the effect of the Multi Fiber Arrangement's termination.

Tanaka's paper empirically investigates the effect of frequency of direct flights on establishment of new foreign affiliates by Japanese firms and finds that direct flights have a greater positive effect for foreign affiliates with a higher share of Japanese workers. Ito et al. examines determinants of duration of intermediate goods imports for Japanese affiliates in China by focusing on the roles of products, affiliates, or parent-firm characteristics and agglomerations. Komoriya's paper proposes an international oligopoly

model with FDI and movement of natural persons and shows that simultaneous trade and MNP liberalization could be Pareto improving for welfare-maximizing governments.

Regarding the effects of preferential trade agreements, Ishido's paper investigates the effect of Japan's economic partnership agreements (EPAs) on the size distribution of Japanese firms' FDI, finding that EPAs with Mexico and Chile could induce larger-scale FDIs. By constructing an original dataset, Kamata's paper examines the effect of "labor clauses" in trade agreements on working conditions and trade intensity between party countries. Finally, Mukunoki's paper proposes a three-country oligopoly model with an antidumping policy and addresses question as to how preferential trade agreements would change government approaches to antidumping actions.

Organizer: SATO Hitoshi (Development Studies Center, IDE)

Co-researchers: TANAKA Kiyoyasu (IDE), ITO Tadashi (IDE), SUGITA Yoichi (Faculty of Economics, Hitotsubashi University), ISHIDO Hikari (Professor, Chiba University), KAMATA Isao (Assistant Professor, Kobe University), KOMORIYA Yoshimasa (Associate Professor, Chuo University), MUKUNOKI Hiroshi (Professor, Gakushuin University), Chi-Hai Yang (Professor, National Central University, Taiwan)

5. Product Related Environmental Regulations and Trade

Globalization presents new challenges for rapidly growing economies of East Asia. One notable trend in global markets is the increasing importance of both public regulations and private standards as a condition of access to developed countries' markets. This collection of papers examines the impacts of public regulations and private standards introduced in developed countries on exporting countries in developing Asia. It considers three issues; impacts on trade between developing Asia and developed countries, impacts on businesses in Asian developing countries as they respond to the new regulatory challenges, and responses of regulatory authorities in developing Asian countries to the increasingly complex external environment. The papers focus particularly on EU regulations relating to chemicals and hazardous substances (RoHS and REACH) and on private standards in agriculture, particularly GlobalG.A.P. The papers bridge this evidence gap by providing empirically grounded analyses of responses in both public and private sectors in Asia to public regulation and private standards in manufacturing and horticulture sectors. The papers are collected to produce an edited book.

Organizer: MICHIDA Etsuyo (Overseas Research Fellow, IDE)

Co-researchers: NABESHIMA Kaoru (Associate Professor, Waseda University), ARIMURA Toshi (Professor, Waseda University), OTSUKI Tsunehiro (Professor, Osaka University), HONDA Keiichiro (Lecturer, Prefectural University of Kumamoto), IGUCHI Hakaru (Assistant Professor, Atomi Womens' University), UEKI Yasushi, John HUMPHREY (Professorial Fellow, Institute of Development Studies)

6. Empirical Studies on Industrial Clusters in the Mekong Countries

This research project focuses on the spatial distribution of manufacturing firms and the impact of industrial agglomeration on manufacturing firm productivity in Vietnam. In order to analyze the distribution of manufacturing firms, two indexes are combined, namely global extent and local density, and the spatial structure of industrial agglomeration in each industry is examined. We found that the spatial structures of industrial agglomerations for each industry at the 4-digit level significantly differ even within the food processing industry. In order to analyze the impact of industrial agglomeration on firm productivity, the areas identified as a cluster in the process of deriving the two indexes were used to examine whether manufacturing firm productivity differs significantly owing to the economies of localization or economies of urbanization. The results also clarified that economies of localization improved the productivity of both local and multinational firms but do not improve productivity of state-owned firms; the economies of urbanization improve productivity of multinational firms.

Organizer: KUROIWA Ikuo (Bangkok Research Center, IDE)

Co-researchers: GOKAN Toshitaka (IDE), SAKATA Shozo (IDE), NAKAJIMA Kentaro (Associate

Professor, Graduate School of Economics, Tohoku University)

7. International Policy Diffusion and Fragmentation of Environmental Regulations

In the field of environmental regulation, "policy diffusion" refers to a situation where environmental regulations introduced in a pioneer/leading country or region are then extended to other countries. Following countries might seek to build compatibility and linkages between regulations of the leading country and those of their countries. In such cases, policy diffusion is considered to lead to harmonization of regulations among various jurisdictions; however, in many cases, diffused regulations create variant regulations and they each differ in terms of factors such as definition and rule. If harmonization does not occur, regulatory diffusion creates a situation of so-called "fragmentation" where there is no hierarchical or core structure existing among diffused regulations. We study policy diffusion and fragmentation by analyzing and comparing the mechanism, process, and influence between different environmental issues. This kind of broad understanding enables us to construct a comprehensive theoretical framework.

This research project examines policy diffusion and fragmentation of environmental regulations by analyzing the causes, determinants, process, and impact of policy diffusion in the following cases: (1) toxic chemical regulations; (2) hazardous waste management; and (3) emissions trading schemes for reducing greenhouse gas emissions. From these case studies, we found that although similar environmental regulations have been introduced in various countries, the details of such regulations vary. In the next year, the impact of fragmentation will be analyzed intensively.

Organizer: KOJIMA Michikazu (Inter-disciplinary Studies Center, IDE)

Co-researchers: CHENG Fang-Ting (IDE), MICHIDA Etsuyo (IDE)

8. Formation of Knowledge Networks in East Asia

This research project is aimed at empirically demonstrating how knowledge networks are formed in East Asia. As the first year of a two-year plan, we focused on reviewing prior studies, testing analytical models, finding determinants of the knowledge network formation, etc. Two discussion papers have so far been produced:

(1) "Descriptive Analysis of the Knowledge Network Formation in East Asia" (IDE DP No. 558)

This paper showed descriptively the formation process of East Asia's knowledge network. In addition, the correlation between the knowledge network and economic growth is also examined. Evidence is provided to show that plugging into the knowledge network of developed countries could be a key for increasing a country's innovativeness.

(2) "Comparison of Determinants of Knowledge Network Formation" (IDE DP No. 538)

This paper compared three knowledge carriers – trade, foreign direct investment, and mobility of labor – as knowledge mediums, and investigated their effects on knowledge network formation in East Asia. Incorporating these three determinants in a single regression model, their effects were compared in terms of knowledge network formation. This paper showed that labor mobility most affects knowledge formation. The paper was published by *Economics Letters*.

Organizer: KANG Byeongwoo (Inter-disciplinary Studies Center, IDE)

Co-researchers: KASHCHEEVA Mila (IDE), NABESHIMA Kaoru (Associate Professor, Waseda University)

9. Global Value Chains and Its Policy Implications

The aim of this research project is to examine global value chains and their policy implications. Fiscal year 2015 is the first year of this two-year research project.

The project team is composed of Tadashi Ito as internal member and project head, Pierre-Louis Vézina

(then at the University of Birmingham, but currently at King's College London) and Lorenzo Rotunno (University of Oxford) as external members.

Upon completion of the above-mentioned research platform, we have written the following two papers as interim reports: (1) "Heckscher-Ohlin: Evidence from Virtual Trade in Value Added" by Pierre-Louis Vézina, Lorenzo Rotunno, and Tadashi Ito, and (2) "International Supply Chains and Tariff Cuts: Evidence from Factory Asia" by Lorenzo Rotunno.

The first report argues that in a global trade system where supply-chains are a salient feature, a trade pattern emerges wherein the comparative advantage determines not the gross trade but value-added trade. Having argued that point, the paper computes bilateral value-added trade from the World Input-Output Database and tests the explanatory power of the classical trade theory of Heckscher-Ohlin (HO theory). The analyses show that HO theory explains value-added trade even better than it explains gross trade. Thus, it provides some evidence for policymakers when they consider comparative advantage. The second report argues that deepening supply-chains induce developing countries to aim to industrialize themselves to reduce import tariff for inputs. Having computed value-added trade using the Asian International Input-Output Table, the paper corroborates this hypothesis, a finding that may help policymakers when they formulate import tariff policies.

Organizer: ITO Tadashi (Inter-disciplinary Studies Center, IDE)

Co-researchers: Pierre-Louis Vézina (Assistant Professor, University of Birmingham), Lorenzo Rotunno (Post-doctoral Research Fellow, University of Oxford)

10. Female International Migration: A Case of Nurse Migration from Kerala, India

This research aimed to understand nurse migration from Kerala, India. Based on primary data collected through a quantitative survey using questionnaires and a qualitative survey using detailed interviews with nurses, nursing colleges, recruitment agencies, government officials, and so on, this study will illustrate the factors, processes, and consequences of this migration. Moreover, the socioeconomic impact of migration on the economy, healthcare system, and individual households was discussed. The first year preliminary report provides a broad range of data on the international migration of nurses, the existing literature on the migration of Kerala nurses, and migration from Kerala in general. Firstly, data from the Organisation for Economic Co-operation and Development (OECD) shows that an average of 5.9 percent of the total nursing workforce in OECD countries is foreign-trained. Indian and Filipino nurses are the most heavily recruited by English-speaking OECD countries, but the ratio, annual inflow, and source countries differ by destination country. Secondly, we argue that, recently, migration patterns and processes, socioeconomic backgrounds of nurses, and objectives of migration have undergone a dramatic transformation from historical trends of overseas employment and remittances. Thirdly, the number of emigrants from Kerala has steadily increased since 1998, reaching 2.4 million people in 2014, but the rate of this increase has slowed in recent years. Although about 30 percent of all Kerala households have a migrant worker, the prevalence differs according to religion and district. Furthermore, an increase has been seen in international migrant workers' remittances, which currently exceed the revenue receipts of the state government.

Organizer: TSUJITA Yuko (Area Studies Center, IDE)

Co-researchers: ODA Hisaya (Professor, Ritsumeikan University), S. Irudaya Rajan (Professor, Centre for Development Studies, Thiruvananthapuram, India)

11. Women with Disabilities in Developing Countries

This study focuses on women with disabilities in developing countries. It will outline the actual situation experienced by women with disabilities, analyze countries' legal systems and policy measures that protect their rights, and highlight problems that need to be solved. The UN Convention on the Rights of Persons with Disabilities (CRPD) declares equality between men and women as a general principle. In addition, CRPD provides an independent article that requires State Parties to recognize that women with disabilities

are subject to multiple discriminations and urges them to take measures to ensure proper human rights and fundamental freedoms, including measures to ensure full empowerment. In the action agenda of the three Asian and Pacific Decades for Persons with Disabilities, various difficulties that women with disabilities face were recognized.

This study examined how Asian countries recognize—and how they developed—their legal structure to address issues of “multiple discrimination” against women with disabilities. Among them, reproductive rights and violence are two major issues. Of the six countries discussed, even the Philippines, which is appraised to have coped with disability discrimination and gender issues, has not made much reference to women with disabilities in their law. No country referred to “multiple discrimination.” The Supreme Court of India has rendered an epoch-making judgment that recognized the legal capacity of a woman with disabilities and gave respect to the decision she made regarding her reproductive rights. In some countries, the law was revised to be stricter toward violence and harassment against women with disabilities and also to provide accessible remedies for them.

Organizer: KOBAYASHI Masayuki (Inter-disciplinary Studies Center, IDE)

Co-researchers: MORI Soya (IDE), SAI Takanori (DPI-Japan), ASANO Noriyuki (Professor, Kansai University), YOTSUMOTO Kenji (Professor, Kobe University), KANAZAWA Mami (Ph.D. Student, Hitotsubashi University), YOSHIMURA Chie (Project Lecturer, Kumamoto Gakuen University)

12. Female Empowerment and Social Institutions

This research aims to improve our understanding of the roles played by social institutions in the violation of women’s human rights in the developing world from the perspective of female empowerment. More precisely, this project empirically analyzes the welfare impacts of levirate marriage in Tanzania and determinants of Purdah in Pakistan. The first-year outcome of this project provides overviews of a household survey in northeast Tanzania, Rorya district in the Mara region as well as a survey of young working women in the district of Faisalabad, Pakistan, both of which have been conducted by the IDE.

Organizer: KUDO Yuya (Development Studies Center, IDE)

Co-researcher: MAKINO Momoe (IDE)

13. Poverty Alleviation of Women and Children with Disabilities in Developing Countries

This is the preliminary report for the study group on poverty reduction for women with disabilities and children with disabilities in developing countries. In Chapter 1, by Mori, the basic framework for the study group was introduced through a survey of past major studies in this area. In Chapter 2, by Kobayashi, questions about whether the international common framework for the disability statistics was established or not was answered mainly from the situation of the Washington Group. In Chapter 3, Mori and Yamagata use newspaper articles in the Philippines after 2010 to show that these vulnerable groups would experience the worst situations for people with disabilities in the Philippines. The chapter also introduces the research plan scheduled in 2016 in the southern part of the Philippines. In Chapter 4, by Higashikata, the target country is Indonesia, 2010 census data is used to analyze these groups. With these socioeconomic data, we could explain more about the educational situation and welfare standards of these populations in this country. In Chapters 5 and 6, the target country is India. In Chapter 5, by Ota, the main issue addressed is the situation of women with disabilities in India. However, the research did not show that the Census’ disability incident rate of 2 percent can be considered reliable by investigating the data distribution. Additionally, in India, they do not seem to have an NGO that mainly works for women with disabilities even though there are many gender-specific NGOs. In the last chapter, by Tsujita, the situations of children with disabilities were analyzed. Historically the twin track approach of local schools and special schools have been used for children with disabilities in India. Now, we have 2012 amended version of Right of Children to Free and Compulsory Education Law. The chapter analyzed how this law impacted children’s situations.

Organizer: MORI Soya (Development Studies Center, IDE)

Co-researchers: YAMAGATA Tatsufumi (IDE), KOBAYASHI Masayuki (IDE), TSUJITA Yuko (IDE), HIGASHIKATA Takayuki (IDE), OTA Hitoshi (IDE)

14. “Human Trafficking” as the Greatest Risk in Migration

We consider “human trafficking” to be the greatest risk in migration. Human trafficking has multiple dimensions, as it is intertwined with social, economic, and political factors. In order to understand and solve the problem, we take comprehensive approaches as we see human trafficking will occur across a spectrum of migration processes. This research takes a threefold approach to (1) grasp the situation of human trafficking by qualitative and quantitative analysis, (2) analyze the laws and regulations for anti-human trafficking, judicial practices, and policy-making process through an institutional study, and (3) analyze the social factors involved in integrating trafficked persons into society through qualitative and action research. Our interim findings include the general lack of policies addressing demand for human trafficking while most efforts are concentrated for supply side; however, there is still need to analyze migrant workers’ vulnerability to prevent them from being victimized. In terms of in terms of anti-human trafficking policy formulation at a nation level, we find the significance of personnel networks therein. In terms of remedy for victims, we analyze migration and human trafficking in the form of marriage taking place in Japan. Furthermore we look at the intertwined relationship between victim identification and integration thereof, which seem to be situated at different stages in the victim protection process.

Organizer: YAMADA Miwa (Inter-disciplinary Studies Center, IDE)

Co-researchers: AOKI-OKABE Maki (IDE), MACHIKITA Tomohiro (IDE), TSUBOTA Kenmei (IDE), ARIMOTO Yutaka (Associate Professor, Institute of Economic Research, Hitotsubashi University), SAITO Yuriko (Associate Professor, Faculty of International Studies, Meiji Gakuin University)

[2] Regular Analytical Research Projects

1. Analysis of Current Affairs in Asia

This project analyzes political, economic, and social developments in 2014 within the countries and regions of East Asia, Southeast Asia, and South Asia. The final results of this research project will be published in the *Yearbook of Asian Affairs 2016* (in Japanese), which contains reports of current analyses on Asian countries and regions.

Organizer: NAKAGAWA Masahiko (Area Studies Center, IDE)

Co-researchers: ARAI Etsuyo (IDE), SUZUKI Yurika (IDE), TAKEUCHI Shinichi (IDE), SATO Yuri (IDE), LYU Haksu (IDE), WATANABE Yuichi (IDE), ETO Naoko (IDE), DING Ke (IDE), IKEGAMI Hiroshi (IDE), TAKEUCHI Takayuki (IDE), SUZUKI Sanae (IDE), ISHIZUKA Futaba (IDE), FUJITA Mai (IDE), HATSUKANO Naomi (IDE), YAMADA Norihiko (IDE), AOKI-OKABE Maki (IDE), KANEKO Nao (IDE), HISASUE Ryoichi (IDE), KAWAMURA Koichi (IDE), HAMADA Miki (IDE), OSADA Noriyuki (IDE), KONDO Norio (IDE), OTA Hitoshi (IDE), MAKINO Momoe (IDE), CHIBANA Izumi (IDE), OKUDA Satoru (Professor, Asia University), MINATO Kunio (Associate Professor, Kochi University), KURATA Toru (Associate Professor, Rikkyo University), MIZUNO Masami (Professor, Nihon University), MATSUMOTO Asuka (The Japan Institute of International Affairs), HIDAI Takeo (Associate Professor, Saitama Gakuen University), INOUE Hiroko (Lecturer, Daito Bunka University), KUSAKABE Naonori (Lecturer, Otsuma Women’s University), TORIYA Masato (Center for Islamic Area Studies, Sophia University)

2. Political, Economic, and Social Issues in Latin America

This project aims to analyze the current situations and important topics for economic, political, and social development in Latin American countries. The project’s output is published as the semestral journals *Latin America Report* (in Japanese). In 2015, 12 long analytical articles, 16 book reviews, and 2 short

essays were issued in Vol. 32 No.1 (June 20) and No.2 (Dec. 20). They featured various important elections celebrated in the region, such as those in Uruguay, Bolivia, Brazil, Mexico, Venezuela, and Guayana. These articles discussed elections with a focus on the electoral systems, parties, changing situations of the leftist political groups, and political and socioeconomic situations of the countries. It is worth mentioning that the article on Guayanese politics covers the lack of information and knowledge about a country that has received very little academic attention in Japan. The other topics featured in the two 2015 issues of the journal were the welfare cooperatives and mutuals in Argentina, changes in the Mexico's diplomatic policy, networks of the Mexican immigrants in the United States, the legal basis to define human rights of the Mexican indigenous people, development of the Mexico's auto industry, and industrial policies of PT administrations in Brazil.

Organizer: SAKAGUCHI Aki (Area Studies Center, IDE)

Co-researchers: KIKUCHI Hirokazu (IDE), KONTA Ryohei (IDE), BABA Kaori (IDE), KITANO Koichi (IDE), HOSHINO Taeko (IDE), MURAI Tomoko (IDE Library), NINOMIYA Yasushi (JETRO San Paulo), NORITAKE Rihito (IDE Library), SHIMIZU Tatsuya (IDE), YAMAOKA Kanako (IDE), YONEMURA Akio (IDE)

3. Political-Economic Analyses of the MENA Region

In this research project, we edited the third volume of *Middle East Review*. The journal was launched in 2013 as an online journal with the aim of providing a platform for analysis of the current affairs in the Middle East and North Africa, following the aftermath of the so-called “Arab Spring.” The chief editor of the third volume was Hitoshi Suzuki, and co-editors were Ichiki Tsuchiya, Housam Darwisheh, Shoko Watanabe, Hirotake Ishiguro, and Akifumi Ikeda. The resulting volume amounts to approximately 120 pages in A4 format.

The contents of the current issue consist of the “Middle East report 2015” (in Japanese) and five articles, either in Japanese or English. The “Middle East report 2015” contains nine reports concerning the current regional affairs. The titles of the five articles are as follows. “ISIS and the Climate of Fear: A Political-Psychology Perspective” (in English), “Russian Strategy towards the Middle East under President Putin with Special Reference to the Civil War in Syria” (in Japanese), “Transformation of the “Privileged Companies” in Post-revolutionary Iran: A Case Study of Mostaz`afan Foundation” (in Japanese), “The 2015 General Elections in Turkey and the Policy Changes of the Erdoğan Regime” (in Japanese), and “UAE's Economic Relationship with Iran: The Current State and Outlook” (in Japanese). All of these reports and articles were reviewed by the editorial staff.

Organizer: SUZUKI Hitoshi (Overseas Research Fellow, IDE)

Co-researchers: TSUCHIYA Ichiki (IDE), SAITO Jun (IDE), DARWISHEH Housam (IDE), WATANABE Shoko (IDE), ISHIGURO Hirotake (IDE), IKEDA Akifumi (Professor and President, Toyo Eiwa University)

4. Political Economy in Contemporary Africa

This research project has published the online journal, *Africa Report*, since 2013. *Africa Report* is the only refereed journal in Japan specializing in analysis of current socioeconomic issues in African from an academic perspective. In FY2015, four articles, six short papers, and 18 book reviews were published. The short papers provided information and interpretation of the latest topics in Africa including Ebola virus, xenophobia and students' demonstrations in South Africa, and elections in Nigeria and Ethiopia, while the articles provided academic analysis of current issues such as prosecution of pirates in Kenya, state intervention on Ethiopian NGOs, and post-conflict politics in Côte d'Ivoire. From January to December 2015, the number of paper download reached 122,000 for a monthly average of over 10,000. Paper downloads increased by 32.9 percent from FY2014. In its three years since being renewed as an online journal, *Africa Report* seems to be reaching a much wider audience.

Organizer: FUKUNISHI Takahiro (Area Studies Center, IDE)

Co-researchers: AMINAKA Akiyo (IDE), SATO Akira (IDE), TAKEUCHI Shinichi (IDE), TSUDA Miwa (IDE), KODAMA Yuka (IDE), MAKINO Kumiko (IDE), SATO Chizuko (IDE), KISHI Mayumi (IDE)

5. Development of Geographical Simulation Model (IDE-GSM) and Geo-economic Dataset

The Institute of Developing Economies (IDE) has been developing the Geographical Simulation Model (IDE-GSM) since 2007, which is based on New Economic Geography (NEG). Our model comprises seven sectors, including manufacturing and non-manufacturing sectors, and more than 1,800 regions across 21 countries/economies in East and South Asia. IDE-GSM has two objectives, namely (1) to simulate the dynamics of locations of populations and industries in the long term and (2) to analyze the impact of trade and transport facilitation measures (TTFMs) on the regional economy at the subnational level. Our project outcomes this year are twofold. First, we estimate the economic impacts of the Comprehensive Asia Development Plan (CADP). We compare these with the projects of the Master Plan on ASEAN Connectivity and find that CADP projects have much greater positive impacts on ASEAN countries (Isono et al. 2016, DP 567). Second, we sought to develop a new theoretical model arguing for the sustainability of a monocentric city with a new transport facilities (Gokan 2016, DP548) in order to estimate parameters of domestic and international border effects (Hayakawa 2016, DP565), to utilize a GIS for automatic calculation of sea distances (Chen and Kumagai 2016, DP568), and to measure the speed of migration by utilizing remote sensing data (Keola and Kumagai 2016, DP574).

Organizer: KUMAGAI Satoru (Inter-disciplinary Studies Center, IDE)

Co-researchers: ISONO Ikumo (IDE), TSUBOTA Kenmei (IDE), KEOLA Souknilanh (IDE), HAYAKAWA Kazunobu (IDE), GOKAN Toshitaka (IDE)

6. Trade Standards Compliance in Asia

This research project consists of three interrelated research strands. The first one examines the determinants of foreign suppliers of agriculture and food products by Japanese importers using surveys of Japanese firms. The results indicate that Japanese firms select foreign suppliers mainly through the suppliers' past experience and existing reputation as well as auditing by importing firms. The second research strand assesses the tea industry in China and Taiwan. In both economies, tea leaf production is mainly carried out by smallholder farmers. If these industries are going to be integrated into global market, significant change might occur in the production system of tea in these economies. The third research strand examines the factors associated with the success of Thailand's shrimp industry and differences in perceptions of private standards in two cities in Vietnam, namely Hanoi and Ho Chi Minh City. The research shows that the Thai shrimp industry was able to withstand a number of difficulties because of technological cooperation along the supply chain. In Vietnam, consumers in Ho Chi Minh City are more likely to value products certified with private standards compared to consumers in Hanoi. This indicates that promotion of private standards must take into account difference in consumer preferences in various cities.

Organizer: NABESHIMA Kaoru (Associate Professor, Waseda University)

Co-researchers: MICHIDA Etsuyo (IDE), LEI Lei (IDE), SUZUKI Aya (Lecturer, University of Tokyo), Vu Hoang Nam (Lecturer, Foreign Trade University)

[3] Spot Research Projects

1. Political Transformation of Post-war Sri Lanka

This research aims to answer "Why was Mahinda Rajapaksa ousted though he ended the prolonged ethnic conflict in Sri Lanka and achieved rapid economic development?"

Certainly, Rajapaksa contributed to ending the ethnic war and leading economic development by con-

struction of infrastructure. He used an authoritarian approach to politics, and economic development had only limited effects. As a result, social and regional gaps expanded. Under a crisis of democracy, opposition parties, civil societies, and religious leaders rallied to fight against Rajapaksa, which seemed almost impossible. New president Maithripala Sirisena and Prime Minister Ranil Wickremasinghe accomplished 19th constitutional amendment in the short term. Though it was a successful outcome of new government, the amendment covered a smaller area than expected. Rajapaksa and his supporters remained powerful as an opposition in parliament and intervened to hinder political reform by the new government. We find that Rajapaksa had built up new political culture in Sri Lanka after the ethnic war. Rajapaksa's group will remain influential both in and outside parliament.

Researcher: ARAI Etsuyo (Area Studies Center, IDE)

2. The New Government in Myanmar: Process and Results of the 2015 General Election

The second general election under Myanmar's current 2008 constitution was held on the November 8, 2015. The opposition party, the National League for Democracy (NLD), which led the anti-government democratic movements under the former military government and was chaired by Aung San Suu Kyi, gained over 80 percent of elected seats in parliament. This resulted in making the first genuine civilian-led government in more than half a century. Because free and fair elections had not been held for a long time in Myanmar, this election and change of government was a very important event for the country.

This research group analyzed the process and result of this 2015 election. The number of political parties considerably increased since the last election in 2010, which means that Myanmar politics became more inclusive. The NLD's landslide victory was largely attributable to the overwhelming popularity of Aung San Suu Kyi. But the effect of the first-past-the-post election system also provided a tailwind for the NLD. In a few states, parties representing local ethnic minority group won many seats. This research group also offered some tentative remarks on the new government by analyzing profiles of its members.

Organizer: OSADA Noriyuki (Area Studies Center, IDE)

Co-researchers: NAKANISHI Yoshihiro (Associate Professor, Center for Southeast Asian Studies, Kyoto University), KUDO Toshihiro (Professor, National Graduate Institute for Policy Studies [GRIPS])

3. Towards ASEAN Community

The Association of Southeast Asian Nations (ASEAN), founded in 1967, is a regional organization aiming at political, economic, and social cooperation. In 2003, ASEAN member states agreed to construct the ASEAN Community, comprising three pillars: ASEAN Political-Security Community (APSC), ASEAN Economic Community (AEC), and ASEAN Socio-Cultural Community (ASCC). In 2015, establishment of the ASEAN Community was announced. However, the year 2015 represents a milestone towards constructing the ASEAN Community since the post-2015 ASEAN Community vision was also released.

Among the three pillars, AEC has been prioritized since it outlines the vision for economic integration in the ASEAN region. However, there are meaningful activities planned under APSC and ASCC, and some of these activities are strongly linked with ones under AEC. This study reviews what kinds of activities ASEAN member states planned under the ASEAN Community, to what extent they achieved these activities, and what problems remain to be solved.

After Introduction outlining the progress of constructing the ASEAN Community, Chapters 1 and 2 deal with some areas of outstanding cooperation under APSC, namely security cooperation with non-ASEAN countries such as the United States, China, and Japan, and cooperation on human rights. Chapters 2 and 3 analyze the institutional and economic impact of AEC. Chapters 5 and 6 concern environmental cooperation and issues of protection of migrant workers under ASCC.

Organizer: SUZUKI Sanae (Area Studies Center, IDE)

Co-researchers: KOJIMA Michikazu (IDE), UMEZAKI So (IDE), ISONO Ikumo (IDE), YAMADA Miwa (IDE), OBA Mie (Professor, Tokyo University of Science)

4. Tenth Congress of Lao People's Revolutionary Party and "Vision 2030"

Currently, Laos is striving for economic development with a dependency on energy and natural resources sectors. Over the last 10 years, Laos has achieved steady economic growth of more than 7 percent.

In recent years, however, various problems such as expansion of economic disparity between urban and rural areas, corruption of the party and government cadres, land conflicts, etc., emerged. People set about questioning the policy of "economic growth supremacy."

Under such circumstances, the Lao People's Revolutionary Party 10th Congress was held at the end of January in 2016. At the Congress, new leaders were elected and the national strategy for the next five years, a medium-term strategy through 2025, and long-term national goals, called "Vision 2030," were approved. While some sort of correction is required in the development strategy, much attention has been paid to new leadership, the Vision, and strategies.

So far, the Institute of Developing Economies published "Vietnam and Laos after the 2001 party convention—Challenge to new challenges" in 2002 and "Lao People's Revolutionary Party 9th Congress and future development strategy" in 2012. No such publications currently exist that analyze the Laotian Congress as comprehensively. Particularly now, attention to Laos is growing as an investment destination and holder of the ASEAN presidency in 2016. Thus, conducting research on the most important political event in Laos offers findings of widespread significance.

Organizer: YAMADA Norihiko (Overseas Research Fellow, IDE)

Co-researchers: KEOLA Souknilanh (IDE), YANO Junko (Associate Professor, Aichi Prefectural University)

5. Twelfth Congress of the Communist Party of Vietnam and the Chances for a Second *Doi Moi*

In January 2016, the 12th Congress of the Communist Party of Vietnam was organized and Nguyen Phu Trong was re-elected as General Secretary. Through the implementation of "*doi moi*" (renovation) policy over the last 30 years, Vietnam has realized rapid economic growth and managed a relatively wide distribution of its fruits among its population, thus successfully maintaining socio-political stability. In recent years, however, weaknesses and contradictions of its socialist market economy model have increasingly become apparent, fueling frustration and anxiety over the steering of the Party and state by Party leaders, even among its own ranks. Especially complex developments in international relations since the 11th Party Congress have spurred calls urging the implementation of broader reforms within the country, not just in the economic area. Against such backdrops, how does the Party evaluate the 30 years of *doi moi*, and how is it going to deal with various impending and middle- and long-term challenges? This research project will address such questions through analyzing policy orientations for the coming five years adopted by the Party Congress and the results of the new leadership selection.

Organizer: ISHIZUKA Futaba (Inter-disciplinary Studies Center, IDE)

Co-researchers: SAKATA Shozo (IDE), FUJITA Mai (IDE), KOJIN Emi (IDE)

[4] Collaboration Research Projects

1. Tracing China's Greenhouse Gas and Pollution Sources in Global Value Chains (GVCs): Regional and Firm Heterogeneity

This research is an updated version of the previous international joint project "Tracing China's CO₂ Emissions in Global Value Chains (GVCs)" supported by IDE/JETRO, CIDEG/Tsinghua Univ., USITC and ICLCE/Nagoya Univ. in 2014. In the previous work, we constructed a consistent accounting framework (Meng, Peters, Wang 2014, 2015) that can be used to trace the creation, distribution, and transfer of both CO₂ emissions and value added in GVCs at national, bilateral, and industry/product levels by following various routes through international production networks. As an extension of the previous work, this

research introduces China's domestic-regional (integrated economic area or province) and firm heterogeneity (firm size, ownership and trade mode) information into the accounting framework to trace China's greenhouse gas emissions and pollution sources in both Domestic Value Chains (DVCs) and GVCs at more detailed levels. We also applied input-output models, dynamic CGE models, and econometric models to investigate how environmental policies, regulation changes, lifestyle changes, and the change of green investment-related financial supports impact China's greenhouse gas emissions and pollution reductions through various value chain perspectives. The simulation results clarified the relationship between a domestic region or firms' degree of participation in value chains and their emission/pollution levels, and can thus help better understanding of China's sustainable and green growth strategies under strict environmental constraints and feasible designs of international and domestic interregional environmental governance. Some of our research products have been published in IDE Discussion Papers.

Organizer: MENG Bo (Development Studies Center, IDE)

Co-researchers: LEI Lei (IDE), Klaus HUBACEK (Professor, University of Maryland), Hao XIAO (Assistant Professor, Hunan University), ANDO Asao (Professor, Tohoku University)

2. Leveraging the Silicon Valley Connections: Taiwan's New Innovation Policies and Implications for Japan

The research project explored recent policy efforts by the Taiwanese government to promote start-up communities and innovative ecosystems in order to nurture innovative start-up firms. Specifically, we focused on the government's efforts to revitalize the connections that Taiwan once had with Silicon Valley. The project's final report consists of four chapters. The first chapter examines the structural shift of the Taiwanese economy towards large-scale firms, identified global trend towards community-based innovation policies, and investigated possible roles the government can play in promoting an innovative ecosystem. The second chapter explores Taiwan's policies to promote start-up communities and discussed a few experiments to facilitate entrepreneurship by young people. The third chapter presents a case study of Stanford Taiwan Biomedical Fellowship Program, a policy effort to create a new med-tech sector by leveraging Silicon Valley's entrepreneurial resources. The last chapter is a brief summary.

Organizer: KAWAKAMI Momoko (Inter-disciplinary Studies Center, IDE)

Co-researchers: Xin-Wu LIN (Taiwan Institute of Economic Research, TIER), Edward Kang HSIEH (Taiwan Institute of Economic Research, TIER), Tien-yu HUANG (Taiwan Institute of Economic Research, TIER)

3. Regional Vitalization, Internationalization and Innovation: Theory and Empirical Analysis for Invigorating the Hokuriku Economies

In recent years, the Hokuriku Economy has steadily been developing, thanks to, for example, opening of the Hokuriku Shinkansen. However, the region needs to utilize international markets, especially those in Asia, to produce more sustainable regional economic growth as well as to realize the regional vitalization policy set by the Abe administration. This research project acquired a useful dataset to analyse trends of firm's internationalization. Hokuriku ports have potential to become a hub of marine transportation in the Sea of Japan coastal region. However, in reality, the Hokuriku ports are not practically used compared with other ports on the Sea of Japan coastal region, such as the Niigata port. Improving the accessibility of Hokuriku ports is required.

Organizer: KUMAGAI Satoru (Inter-disciplinary Studies Center, IDE)

Co-researchers: GOKAN Toshitaka (IDE), HAYAKAWA Kazunobu (IDE), MARUYA Toyojiro (Professor, Research Institute for Regional Economics, Fukui Prefectural University), ZHANG Xu (Project Researcher, Research Institute for Regional Economics, Fukui Prefectural University), KOBAYASHI Makoto (Hokuriku AJEC), SHIRAMATA Shuji (Hokuriku AJEC), MAEDA Yasuhiro (Hokuriku AJEC), HAMAGUCHI Nobuaki (Faculty Fellow / Program Director, RIETI), KAMEYAMA Yoshihiro (Associate Professor, Faculty of Economics, Saga University)

BASIC AND COMPREHENSIVE RESEARCH

1. Public Services in India

This project studied public services in India. The final report contains seven chapters plus the introductory chapter (Sato). Chapter 1 (Kondo) focused on problems facing the Public Distribution System, which has been extremely important for the country both socially and economically. Chapter 2 (Kamiike) looked at medical and drug services, public programs such as Tamil Nadu's drug procurement model and Jan Aushadhi Scheme in addition to changes in drug price controls. Chapter 3 (Sato) studied water problems in India, with a particular focus on household water provision in urban areas, by tracing the development of water policies and judicial judgments regarding the right to life. Chapter 4 (Kojima) studied urban solid waste management by elucidating how laws and policies relating to waste have evolved especially from the 1990s. Various efforts by municipalities were examined, while also shedding light on newly emerging environmental problems caused by mismanagement of waste. Chapter 5 (Tsujita) surveyed changes and problems in the compulsory education system by comparing state-run and private schools, especially after the enactment of the Right of Children to Free and Compulsory Education Act 2009. Chapter 6 (Ota) focused on the development of Integrated Child Development Services, especially looking at the workings of Anganwadi Centres. Chapter 7 (Sato) delineated the Judiciary's role in promoting public services especially through public-interest litigations. The report as a whole shows that it is important to understand the path of continuous development from before the economic liberalization in most fields of public services.

Organizer: SATO Hajime (Area Studies Center, IDE)

Co-researchers: OTA Hitoshi (IDE), TSUJITA Yuko (IDE), KOJIMA Michikazu (IDE), KONDO Norio (IDE), KAMIKE Atsuko (Lecturer, Department of Education, Osaka Kyoiku University)

2. Informal Practices in Post-Soviet Societies: Case Studies of Kazakhstan and the Kyrgyz Republic

This project focused on informal institutions and practices in two post-Soviet Central Asian states with an aim to provide a bottom-up perspective on the causes and organization of corruption. "From Monopoly to Competition: Corruption and Constitutional Reform in Kyrgyzstan" (Johan ENGVALL) tackles the question why increased political pluralism did not lead to reduced corruption after the 2010 constitutional reform that strengthened the parliament and constrained presidential discretion. This paper argues that increased political competition resulted in competition over ability to engage in corruption, as elections have become instrumental in directing rents and dividing spoils within the country. "Grades, Degrees, and Teaching Positions for Sale: Understanding Informal Payments in Kazakhstan's Education Sector" (OKA Natsuko) challenges a generally accepted theory that teachers are forced to take bribes due to their insufficient income. This paper demonstrates that teachers, principals, and professors are willing to recoup their initial "investments"—informal payments they made in order to obtain a teaching position or directorship, as well as an academic degree required or considered desirable for a position—by collecting cash from students and their families. While dealing with different aspects and fields of corruption, common implications that can be drawn from the two articles are as follows. First, high-level political corruption and low-level administrative corruption share a common structure and mechanism of propagation in societies where corruption is firmly entrenched as an established norm. Second, in societies where corruption functions as an informal institution, efforts aimed at mitigating corruption may be subverted in various ways, not necessarily bringing about the desired outcomes.

Organizer: OKA Natsuko (Area Studies Center, IDE)

Co-researcher: Johan ENGVALL (Research Fellow, Swedish Institute of International Affairs)

3. Relationship between the States and Civil Society Organizations in 21st Century Latin America

Two major political and economic transitions have been observed in Latin American countries after the 1970s: (1) transition from authoritarian regimes to democratic regimes, and (2) change from state interventionism to neoliberalism. The research question of this research project concerned what kind of relations between the state and civil society organizations emerge after these two types of transitions. This question can be divided into the following two analyses. The first analysis takes the view point of the interest mediation system or political formation system. The second analysis is conducted from the view point of representative democracy, whose qualities are sometimes harmed by relations between the state and civil society organizations. The cases of Mexico, Bolivia, and Peru were analyzed in the first section and those of Venezuela and Brazil in the second section. The first section's analyses suggest that the type of political arena affected political formation in which civil society organizations' interests are reflected. The second section's analyses suggest that the state's characteristics influenced the quality of democracy related to the relationship between the state and civil society organizations.

Organizer: USAMI Koichi (Professor, Doshisha University)

Co-researchers: KIKUCHI Hirokazu (IDE), SAKAGUCHI Aki (IDE), KONTA Ryohei (IDE), BABA Kaori (IDE), MURAKAMI Yusuke (Associate Professor, Kyoto University), OKADA Isamu (Associate Professor, Nagoya University)

4. Basis of the Survival of Arab Monarchies

This research project attempts to answer the research question of how the Arab Monarchies (Saudi Arabia, Kuwait, Bahrain, Qatar, United Arab Emirates, Oman, Jordan, and Morocco) have sustained their legitimacy despite being hit by the "Arab Uprising" in 2011, in terms of the resilience of legitimacy. Using research methods that combined the institutional approach and traditional-cultural approach, we examined how the public accepted the legitimacy of monarch and monarchy, and what significance people attribute to them, focusing on the reciprocal exchange of values through various channels that connect monarch and nationals who can proactively approach the monarch. The main channel that characterizes the legitimacy of each monarchy, an object of analysis, is diverse, as it reflects the nation-building process and degree of national unity. Here, we adjust the balance between institutional approach and traditional-cultural approach according to whether the main channel is institutionalized parliamentary politics, informal meetings according to the tribal tradition, or dynastic ceremonies and religious rituals as created traditions. We attempted to show implications for Comparative Politics, Middle Eastern Studies, or Monarchical Studies, and found that monarchies have showed high readiness to claims and requests from nationals, and have avoided falling into a state of uncertainty by utilizing informal channels as buffers. This indicates that the monarchy's readiness to institutionalize political participation by constitution and parliamentary politics is constrained due to the grounds on which the monarchy's legitimacy is based.

Organizer: ISHIGURO Hirotake (Area Studies Center, IDE)

Co-researchers: NISHIKIDA Aiko (Associate Professor, Research Institute for Languages and Cultures of Asia and Africa, Tokyo University of Foreign Studies), HORINUKI Koji (Research Fellow, JIME Center, Institute of Energy Economics, Japan), SHIRATANI Nozomi (Graduate School of Global Studies, Sophia University), MURAKAMI Takuya (Research Fellow, Middle East Institute of Japan)

5. Crisis of Democracy in Developing Countries

Changes in political regime are a major research topic in comparative politics. In the past, political scientists paid attention to the issues like emergence of authoritarian regimes, democratization in 1980s, and democratic consolidations. In the 2000s, a new issue started attracting political scientists' concern, namely "democratic recession." Among countries that underwent democratization in the 1980s, some are experiencing instability of democratic rules, constraints on political freedom, and a decline of check and

balance. Based on cases of these unstable or imperfect democracies, some scholars claim that democracy is now facing recession. The coup d'état in Thailand and restrictions on media in Turkey are seen as representative cases. We are concerned with whether or not such democratic recessions are really taking place, and identifying the causal mechanisms if so. We deal with phenomena considered as being democratic recessions in order to elucidate these points.

We examined six cases of unstable democracies in this research, and described their respective situations. We also examine trends of democracies as well as the validity of existing measurements of democracy. We find no clear trends of democratic recession internationally. But we recognize that the cases of unstable democracies provide significant implications for understanding the mechanism of democratic sustainability.

Organizer: KAWANAKA Takeshi (Area Studies Center, IDE)

Co-researchers: MINATO Kazuki (IDE), HAZAMA Yasushi (IDE), MAKINO Kumiko (IDE), BABA Kaori (IDE), KIKUCHI Hirokazu (IDE), OGUSHI Atsushi (Associate Professor, Faculty of Law, Keio University), SHIGETOMI Shinichi (Professor, Department of International Studies, Meiji Gakuin University)

6. China's "New Type Urbanization" Policy and the Reform of the Economic System

This research project was conducted to examine China's national policy of "New Type Urbanization Plan (2014–2020)" and discuss its effectiveness as an economical institutional reform. Since urbanization itself relates to many fields, member researchers responsible for each major field and the research project as a whole aims to examine the effect of "New Type Urbanization Plan (2014–2020)" as a type of institutional reform in China.

In research meetings, research project members studied the Chinese government's policy of "New Type Urbanization Plan (2014–2020)" and visited two Japanese cases in Chiba prefecture, which are promoted by the local Chiba government, and also conducted a research trip to China's Guizhou province. Both the Japanese and Chinese cases are ones where urbanization plans are conducted by local governments, but the role of the government and mutual actions between several levels of governments, the planner, related enterprises, and citizens differ. These observations helped member researchers to examine China's urbanization and related policies.

The research reports introduce each type of urbanization situation and related problems in China. The research project as a whole examined how the "New Type Urbanization Plan (2014–2020)" serves as an important source of institutional reform.

Organizer: OKAMOTO Nobuhiro (Professor, Faculty of International Relations, Daito Bunka University)

Co-researchers: YAMAGUCHI Mami (IDE), OTSUKA Kenji (IDE), MU Yaoqian (Senior Research Fellow, Economic Research Institute for Northeast Asia)

7. Political and Economic Changes in Malaysia during the Post-Mahathir Era

The purpose of this research project is to describe political and economic changes that have occurred since former Prime Minister of Malaysia, Dr. Mahathir Mohamad, stepped down in October 2003, as well as to articulate the causes of these changes. During FY 2015, project members shared information and perception through intensive discussions about important social changes observed during the post-Mahathir era.

As a conclusion of the first year of this two-year project, we have compiled an interim report. Topics covered in this report are titled as follows: (1) The altering party system: Changes after the 2013 general elections (Masashi Nakamura); (2) Recession and counteraction of the dominant party (Hidekuni Washida); (3) Institutional reform of politics during the post-Mahathir era (Ayame Suzuki); (4) Social movements during the post-Mahathir era (Tsukasa Iga); (5) Reform of government-linked companies (GLCs) in Malaysia (Satoru Kumagai); (6) Evolution of regional development policies (So Umezaki); and (7) Globalizing companies of Malaysia (Takashi Kawabata).

The project's interim report will be available to the public soon on the IDE's website.

Organizer: NAKAMURA Masashi (Area Studies Center, IDE)

Co-researchers: KUMAGAI Satoru (IDE), UMEZAKI So (IDE), SUZUKI Ayame (Associate Professor, Doshisha University), IGA Tsukasa (Researcher, Kyoto University), WASHIDA Hidekuni (Researcher, Waseda University), KAWABATA Takashi (Deputy Director, SMBC Nikko)

8. Analysis of Urbanization in Indonesia Using Village Census Data from 1999 to 2014

The main purpose of this project is to review the Indonesian urbanization process and its impact on residents' welfare after democratization. Indonesia has experienced ongoing urbanization, and it is estimated that after 2011, over half of its population live in urban areas. Using village census data from 1999 to 2014 as well as population census data, we conducted a quantitative analysis to draw some lessons for developing economies. In FY 2015, we wrote two papers; First, we compared the urbanization level of all villages (*desa*) and towns (*kelurahan*) in Indonesia between 2002 and 2011. From this comparison, we demonstrated that growth in the ratio of non-farm households contributed most to the urbanization process during the examined nine years. And second, we analyzed internal migration as well as the effect of infrastructure on the non-farm household ratio in North Sulawesi using 2010 population census data and village census data from 1999 to 2011.

Organizer: HIGASHIKATA Takayuki (Area Studies Center, IDE)

Co-researcher: HASHIGUCHI Yoshihiro (IDE)

9. Rising New Social Strata in Vietnam after the Year 2000

Vietnam has experienced high economic growth and globalization since the early 2000s. During this period, many types of economic opportunities emerged in both urban and rural areas. These economic changes may give rise to diversified social strata that are separated by income, occupation, power, and other factors.

This research project focuses on the social strata that can be regarded as "upper class," and aims to examine their attributes and formation. In order to achieve this goal, it is first necessary to grasp the overall picture of social strata in contemporary Vietnam and explore the properties of the "upper class," as existing literature on social strata in Vietnam is very limited. Thus, in the first year of this two-year project, we started by carrying out a basic analysis of inequality among occupational strata using the official micro data from the households living standard survey on one hand, and by reference to existing literature and qualitative data about political/economic elites on the other hands. The preliminary report, titled "Rising New Social Strata in Vietnam after the Year 2000," was published in Japanese.

Organizer: KOJIN Emi (Area Studies Center, IDE)

Co-researchers: ISHIZUKA Futaba (IDE), FUJITA Mai (IDE), ITO Miho (Lecturer, Department of Asian Languages, Kanda University of International Studies)

10. Reproductive Medicine and the Family in the Middle East

The stigma attached to infertility and the limited practice of adoption under the influence of Islam has given rise to strong demand for the use of reproductive medicine in Middle Eastern Muslim societies. While use of reproductive technologies is supposed to affect family relations, it is at the same time limited by the idea of family, political interests, and individual desire in relevant societies. This project aims, first, to outline the institutionalization and practices of reproductive medicine and, second, to comprehend the cultural, political, and religious issues that are involved in the use of reproductive medicine and family, based on ethnological fieldworks in Egypt, Iran and Turkey. In the first year of the project, information on legislation concerning assisted reproductive medicine and religious discourse has been collected.

Organizer: MURAKAMI Kaoru (Area Studies Center, IDE)

Co-researchers: HOSOYA Sachiko (Research Fellow, School of Nursing, Faculty of Medicine, Toho University), TORIYAMA Junko (JSPS Research Fellow, J.F. Oberlin University), OKADO Masaki (Lecturer, Sophia University), GOTO Emi (Assistant Professor, Institute for Advanced Studies on Asia, University of Tokyo)

11. Household Expenditure Patterns in Egypt during the 2000s

This research project aims to analyze household expenditure patterns in Egypt during the 2000s in order to understand the cause of increasing poverty rates during the reform era. In the first year of the two-year project, we discussed the concept of poverty from different perspectives and reviewed poverty trends in Arab countries including Egypt from several points of view. The interim report consists of five papers. “Poverty, Growth and Inequality in Some Arab Countries” (Dina Armanious) studied different types of poverty indicators and showed poverty trends in some Arab countries. “Gender Inequality in Arab Countries: Opportunities and Challenges” (Heba EL-Laithy) focused on the gender aspects of poverty and inequality and surveyed current status of gender inequality in Arab countries. “Micro Data Collection for the Study of Egyptian Poverty in a Multi-dimensional Perspective” (Erina Iwasaki) summarized the availability of micro data in Arab countries and showed the difference between subjective poverty and the income poverty rate in Egypt. “Poverty in Egypt during the 2000s” (Ichiki Tsuchiya) reviewed poverty trends, regional disparities, and possible factors behind increasing poverty rates in Egypt during the 2000s. “Egyptian Food Subsidy Policies in the 2000s: A Descriptive Policy Review” (Yuko Ido) overviewed policy changes to the food subsidy system and their effect on poverty in Egypt during the 2000s.

Organizer: TSUCHIYA Ichiki (Area Studies Center, IDE)

Co-researchers: IWASAKI Erina (Professor, Faculty of Foreign Studies, Sophia University), IDO Yuko (Ph.D. Student, Graduate School of Arts and Sciences, University of Tokyo), Heba El-Laithy (Professor, Faculty of Economics and Political Science, Cairo University), Dina M. Armanious (Associate Professor, Faculty of Economics and Political Science, Cairo University)

12. Comparison of Haiti and the Dominican Republic: Twin Countries Led Down Different Paths of Governance

This project aims to compare Haiti and the Dominican Republic from viewpoints of their politics, diplomacy, economy and development, and social policy. The first fiscal year of this two-year project has results from five members. Yamaoka clarified the reasons for Haiti and the Dominican Republic sharing a small Caribbean island, Hispaniola, from an historical framework: The Dominican Republic rejected the opportunity to become a part of Haiti, which repeatedly attempted to unify the island as Haiti only. Second, Ojiri described how Haiti’s Duvalier and Dominican Republic’s Trujillo, two dictators who took power almost simultaneously in the 20th Century, in fact had some legitimacy to seek support from their people and consolidate their power. Both gained supports from peasants who had previously been politically excluded and created external enemies to strengthen their administrations.

Third, Kozaki pointed out that most foreign aid as well as the US government intervened in Haiti’s politics, and thus rather slowed the process of Haiti’s development and recovery from the 2010 Earthquake. Fourth, Hisamatsu analyzed five recent World Bank reports on Haiti’s households, poverty, and business environment. Hisamatsu used World Bank data to determine for the first time that Haiti lacks a social contract between the state and the people. The government has been always unable to provide sufficient social services such as education and healthcare, and therefore the people could expect almost nothing from their government. The World Bank admitted that this structure should be altered.

Next, Usami analyzed the social policy and development of these two countries. The Dominican Republic is a middle-income country and has similar social policy programs to those in other middle-income countries in Latin America. In contrast, Haiti depends almost completely on foreign aid for its social policy, and its government has been dysfunctional. Finally, we added Mitsuo’s chapter, which is to be published

separately in the second year. His chapter examines changes in Costa Rica's exchange rate system and policy interest rate. Costa Rica changed its exchange rate system from crawling-band to managed floating-rate system in 2014. He compared Costa Rica's case with those of Poland, Chile, and Israel, which also changed their exchange rates from crawling-band to managed floating-rate systems. Furthermore, he showed that Costa Rica's central bank has become able to administer interest rate policy more easily thanks to the change in exchange rate system.

Organizer: YAMAOKA Kanako (Area Studies Center, IDE)

Co-researchers: MITSUO Hisayuki (IDE), OJIRI Kiwa (Associate Professor, Tokyo Woman's Christian University), KOZAKI Tomomi (Professor, Senshu University), HISAMATSU Yoshiaki (Professor, Toyo University), USAMI Koichi (Professor, Doshisha University)

13. The Shifting Locus of Innovation in the Electronics Industry and the Rise of Taiwanese Component Firms

Over the last decade, Taiwan has witnessed vigorous growth in its electronics component production to emerge into one of the globe's largest producers of key electronic devices. To explore the factors behind this dynamic, the project conducted a firm-level analysis of the Taiwanese electronics component sector. Specifically, we examined the following two case studies. First, Sato conducted an analysis of a smartphone/tablet lens vendor and a fabless IC firm, and explored how these firms leveraged their linkages with local customers before going global. Second, Kawakami conducted a case study on the two Taiwanese digital TV core chip vendors and investigated how these firms acquired system-level knowledge required of the suppliers of this key device. The project attempted to provide a new perspective for understanding the dynamics behind the evolution of the Taiwanese electronics industry.

Organizer: KAWAKAMI Momoko (Inter-disciplinary Studies Center, IDE)

Co-researcher: SATO Yukihiro (IDE)

14. Innovative Agricultural Producers in Developing Countries

In recent years, significant changes in agriculture and its related sectors can be observed. In developing countries, some innovative agricultural producers are adopting these changes and expanding their production. They are the ones who will feed the world in the future. In order to determine analytical frameworks to study these innovative agricultural producers, we reviewed existing literatures about changes in agriculture and agricultural organizations.

Regarding changes in agriculture, we verified changes in input markets, agricultural production, and output markets. In input markets, we see mobilization of agricultural land and development of credit markets for agriculture. Also, technological innovations in agricultural production are very significant. Regarding organizations, we need to focus on their structures, functions, and relationships with other actors in value chains.

We show some examples of these changes through cases from Vietnam and China. In Vietnam, family farms are increasing their dependence on outside resources. Also, some corporations with non-agricultural origins have started agricultural production. In China, we can observe mobilization of an agricultural land market, formation of agricultural organizations, and vertical integration in the sector. Also, agricultural cooperatives and large-scale producers are expanding and increasing their production.

Organizer: SHIMIZU Tatsuya (Area Studies Center, IDE)

Co-researchers: KOJIN Emi (IDE), YAMADA Nanae (IDE)

15. Transition of the Vietnamese Family in the Doi Moi Period

Vietnam has been promoting "modernization and industrialization" since the first half of the 1990s. Additionally, since the second quarter of 2001, Vietnam has also promoted "entry into the international

economy.” Our research group studied Vietnamese families experiencing these transitions in terms of family dynamics, family strategies, and family policies.

In this working year, based primarily on analysis of survey results, local materials, and secondary materials, we conducted research activities and research group produced an interim report in Vietnamese. The title of the interim report is “The Vietnamese family in the period of modernization, industrialization and international entrants (Gia đình Việt Nam trong thời kỳ công nghiệp hóa, hiện đại hóa, hội nhập quốc tế).” This interim report consists of five chapters as follows: Introduction: The Vietnamese family in the period of modernization, industrialization and international entrants (Minoru Teramoto); Chapter 1: Vietnamese family development strategy until 2020 with a view to 2030 (Minoru Teramoto); Chapter 2: The elderly in the Southeast region of Vietnam (Bui The Cuong); Chapter 3: Residence after marriage of the Kinh people in the Red River Delta and how this decision is made (Pham Van Bich); Chapter 4: Characteristics of chain migration and North-South hybrid couple in the new economic commune of Mekong Delta (Misaki Iwai).

Organizer: TERAMOTO Minoru (Area Studies Center, IDE)

Co-researchers: Bui The Cuong (Senior Research Fellow, Southern Institute of Social Sciences, Vietnam), Pham Van Bich (Senior Research Fellow, Institute of Sociology, Vietnam), IWAI Misaki (Professor, Kanda University of International Studies)

16. Junction and Differentiation between Islamist and Nationalist Discourses: Case Study on Colonial Algeria

This project dealt with principal of actions held by the Association of Algerian Muslim Ulama, comparing it with that of its contemporary nationalist party during the 1940s. The result of the study based on Arabic and French original sources clarified how alliance and conflict between the Islamic reformist movement and nationalist movement took place from the perspective of the Islamic worldview that motivated the Islamic movement’s actions.

Classically speaking, Islamic movements’ political positions have been measured by an ambiguous typology based on a radical/moderate dichotomy, or by opposite assumptions that regard the movements as proto-nationalism or anti-nationalism, respectively. However, these arguments failed to grasp the proper aims and strategies of Islamic movements, ignoring their intellectual autonomy and particular worldviews. Recent studies have focused more on the self-understanding of Islamic movements, pointing out that Islamic thought and authority have survived without completely being absorbed into secular nationalist narratives throughout the history of state formation in the Middle East and North Africa.

From this perspective, the project focused on Algeria, where the Islamic reformist movement has been considered as proto-nationalist or a powerless prelude to the nationalist movement. Analysis of the Islamic movement’s internal logic contributes to understanding how Islamic movements have differed from other social movements, as well as how cooperation and conflict among them have occurred.

Researcher: WATANABE Shoko (Area Studies Center, IDE)

17. Survival Strategies of Congolese Asylum Seekers in South Africa

Since the early 1990s, as the apartheid regime neared its end, South Africa became one of the more favorable destinations for migrants as well as asylum seekers from Zaire and later the Democratic Republic of Congo (DRC). The two wars in the 1990s, recurrent political instability, and economic crises forced or prompted many Congolese people to leave their homes. Some of those fleeing the conflict in the eastern part of the DRC as well as some from other parts of the country travelled to South Africa. This study explores the livelihood strategies of these Congolese migrants who came to live in Cape Town, South Africa’s second-largest city, based on semi-structured questionnaire interviews with them conducted in 2014. It discusses their expectations and aims in making the decision to migrate to South Africa, to what extent their expectations have been fulfilled, and what kinds of resources they utilized. It shows that

international migration has become an important livelihood strategy for some Congolese people and many Congolese living in South Africa belong to transnational families. While this highlights the importance of family networks and the development of road transports in the expansion of Congolese communities in South Africa, it also discusses the weak, fragmented nature of the Congolese network in the country.

Researcher: SATO Chizuko (Area Studies Center, IDE)

18. Management and Employment in the Rural Informal Sector in Vietnam

This research project aims to illustrate the development of rural industry as well as factors contributing to it, in the Red River Delta region in Vietnam. In northern Vietnam, industrial clusters have formed in rural areas where a number of small-scale informal entities participate in the production of low-quality, low-price goods. Such clusters are called “craft villages.”

Based on field researches conducted in four villages, the research reveals that Vietnam’s rural industrialization has been characterized by the so-called “Doi Moi” processes of economic reform. Machinery and equipment as well as labor from the dissolved state-owned enterprises were transported to rural areas, which helped boost rural industrialization in the early stage of economic reform. Strict restrictions on establishment of private enterprises, even after the reform started, has allowed “informal sector” to grow. The “kho khau” inflexible residential registration system confined rural labor’s ability move to urban modern sector jobs until the mid-2000s.

In the craft villages, researchers observed household enterprises’ ingenious attempts to utilize the imported but outdated technologies mixed with abundantly available resources such as labor and social capital. Instead of attempting to “catch-up” to the modern sector, these household enterprises in the rural industrial clusters seem to seek niches in the diversified spread of economic activities.

Researcher: SAKATA Shozo (Area Studies Center, IDE)

19. Organization of Production and Distribution in the Iranian Apparel Industry

Very small enterprises employing fewer than 10 workers make up the majority of firms in Iran’s apparel producing industry. Cooperation among firms has always been weak. A salient characteristic is that firms in the sector have shown a strong tendency not to involve themselves in vertical relationships between producers and distributors, unlike in Japan and some other advanced industrialized countries. Under the ‘weakly-organized’ system of Iran’s apparel industry, special devices such as the *namāyande* system, *vizitōr* employment, and a distribution channel through the *bonak-dār* have been utilized by independent producing firms to maintain their self-reliant business.

Following changes in government trade policy since the 2000s, these apparel firms have been confronted with massive inflows of Chinese-made clothing. It has occasionally been reported that Iran’s apparel market was being overwhelmed by Chinese products, but the reality is somewhat different. The inflow’s real causes not only concern eminent price competitiveness and the supply capability of China’s apparel industry, but also Iran’s domestic state of production and the distribution system of its apparel industry.

Along with the development of the “Specialized Markets” in China that are open to any purchaser, not only Iranian conventional distributors but also producers quit their operations and started new careers as “merchants.” This swift change of business activity from production to distribution originates in the “weakly organized” system. The above-mentioned business style seems to have been an immediate cause of the massive inflow of Chinese products in 2000s.

Researcher: IWASAKI Yoko (Area Studies Center, IDE)

20. Social Movement Participation by the Urban Poor: Institutionalization and Agency in São Paulo’s Housing Movements

This paper studies the question of how the urban poor participate in social movements. I focus on the

changes that occur within participants and structures, and as the main theoretical framework, I rely on interactions between "structures" and "agency" that have been studied by some sociologists. In particular, I analyze the actions of the primary actor, i.e., urban poor people, in social movements in São Paulo and their interrelationships with the structure of participatory administrations, which have recently grown in number and become increasingly institutionalized in Brazil. The concept of agency, which refers to the actions with intentions and capability, is difficult to determine in the case of urban poor people, and few previous studies on social movements focus on agency in relation to their participation. I attempt to demonstrate that the urban poor can also conduct their initiatives and in fact realize their agency by committing to the social movements through interaction with the structures that have increased the political opportunities open to the urban poor. Thus, their sense of fulfillment from these increased opportunities contributes to promoting their participation in social movements.

Researcher: KONTA Ryohei (Area Studies Center, IDE)

21. Development of an Agri-food System and Integration of Supply Chains: Cases from Latin America

In recent years, economic growth in the Latin American region has triggered development of its agro-food sector. Consumers in the domestic market as well as foreign markets demand more food of better quality. Latin America's agro-food sector is transforming rapidly in order to meet this changing demand. This study analyzed what changes specifically are occurring using case studies from Peru. It focused on three sectors: expansion and diversification of fresh fruit and vegetable exports, development of alternative potato marketing channel by supermarkets, and vertical coordination and integration in the broiler industry.

In traditional agro-food value chains, producers, processors, and distributors act independently and are connected each other through buying and selling at open and spot markets. In order to meet changing demand in quantity and quality, these actors increased their efficiency by deepening their specialization. Also, they connected closely with other actors in the value chain through long-term commitment via agreements, contracts, and sometimes ownership. In addition, closely connected value chains facilitated information flows between producers and consumers. This allowed producers to add more value to products in order to satisfy consumers.

Researcher: SHIMIZU Tatsuya (Area Studies Center, IDE)

22. An Empirical Study on the Investment/Financing Activities of Philippine Corporations

This research project attempts to examine the investment trends, changes in capital structures, and preferences for in-house/outside financing by firms/financial institutions operating in Philippine local markets. Our outcomes are the production of two papers: (1) a correlation analysis of lending trends and loan maturity structure of local and/or foreign universal and commercial banks in the country's credit market during 2002–2013 (by C. Kashiwabara), and (2) an analysis of the behavior of profit allocation and investments by local major business groups, and in detail, of the local and/or foreign firms operating in country's food industry (by Y. Suzuki). The findings of these papers suggest that, as confirmed from both the lender (banks) and borrower (firms) sides although with certain limitations owing to analyzed business sector, (a) financing is generally committed on a short-term (less than one year) basis, and (b) investment activities and financing/loans providing in the Philippines are not always intended to expand and/or strengthen a business' basis and scale, and thus the circulation of cash/funds is partly unused in a productive sense.

Organizer: KASHIWABARA Chie (Development Studies Center, IDE)

Co-researcher: SUZUKI Yurika (IDE)

23. Impact of Rural Electrification on Fertility in Bangladesh

We used a household panel dataset from Bangladesh to examine the relationship between fertility and adoption of electricity where the latter is instrumented by service delivery quality. We find that adoption of electricity reduces fertility by one child or more. This finding is robust to the choice of covariates, estimation methods, and various measures of electricity adoption. Our finding is also consistent with our simple household model in which adoption of electricity affects only the optimal number of children but not necessarily current fertility behavior if the optimal number has not yet been reached. In the second analysis, we offer micro-econometric evidence for a positive impact of rural electrification on the nutritional status of children under five as measured by height-for-age Z-score (HAZ) in rural Bangladesh. In most estimates, access to electricity is found to improve HAZ by more than 0.15 points, and this positive impact comes from the channels of increased wealth and reduced fertility, even though the evidence for the latter is weak. We also analyze the causal channels through local health facilities and exposure to television. We find no evidence for the presence of the former channel and mixed evidence for the latter.

Organizer: SHONCHOY Abu (Development Studies Center, IDE)

Co-researchers: FUJII Tomoki (Associate Professor, School of Economics, Singapore Management University), XU Sijia (School of Economics, Singapore Management University)

24. Microeconomic Development in Prewar Japan: Integration of Economic History and Development Economics

This research project aims to understand how issues faced by current developing countries were mitigated in modern Japan. We focused on issues related to agriculture and produced five research papers.

Kojima and Takahashi's paper studies the role of credit scoring conducted by a credit cooperative in Nagano prefecture that potentially mitigates the asymmetric information problem in rural financial markets. Using microdata, they find that higher credit scores are associated with greater lending and lower delinquency, while a credit score dropped after a delinquency.

Matsumoto and Sakane's paper investigates how the proliferation of low-quality or fake fertilizer prominent in Africa today was resolved in modern Japan. They argue for the presence of three channels: direct control and requested inspection service by the government; branding and formation of dealerships by suppliers; and collective purchases by the agricultural cooperatives.

Regarding the issue of improving efficiency of the agricultural commodity market, Shigetomi's paper reviews the institutions that supported the dissemination of information regarding produce quality between buyers and sellers in Thai rice markets from the beginning of the 20th century through today. Arimoto's paper studies the case of modern Japan where the institutionalization of grading and standards reduced transaction costs in the rice market. He reviews the process of how standardization proliferated through regional competition.

Saito and Tsukada's paper discusses who—government or irrigation association—should initiate the decision regarding investment and financing a project. They describe the roles and institutions in terms of the local government and irrigation association in Niigata prefecture and discuss how such institutions might have worked to prevent over- or under-investment.

Organizer: ARIMOTO Yutaka (Associate Professor, Hitotsubashi University)

Co-researchers: TSUKADA Kazunari (IDE), TAKAHASHI Kazushi (IDE), SHIGETOMI Shinichi (Professor, Meiji Gakuin University), KOJIMA Yohei (Lecturer, University of Tokyo), MATSUMOTO Tomoya (Associate Professor, National Graduate Institute of Policy Studies), SAITO Kuniaki (Assistant Professor, Rikkyo University), SAKANE Yoshihiro (Professor, Hiroshima Shudo University)

25. Transition from School to Work: Linkage of Education and Employment in India

Youth unemployment has become a significantly challenging global issue. Sharp increases in youth unemployment and underemployment are the result of long-standing structural obstacles, such as a skills

mismatch and an increase in the total youth population. These factors can prevent youth in both developed and developing countries from making a successful transition from school to work. With the pressure of youth population growth and a characteristic proportion of young people with a mismatch of skills, the proportion of young people with a stable profession in developing countries is extremely low compared to developed countries. This research aims to decipher the complex interrelationship between educational choices, achievement, and employment trends based on different education levels and types of schooling in several states in India. A macroscopic analysis on the effect of employment skills development was also conducted using industrial statistics and household surveys across the country.

Organizer: NAKAMURA Mari (Development Studies Center, IDE)

Co-researchers: ASUYAMA Yoko (IDE), MURAYAMA Mayumi (IDE), SASAKI Hiroshi (Associate Professor, Graduate School of Integrated Arts and Sciences, Hiroshima University), HARIZUKA Mizuki (Lecturer, Faculty of Humanities, Beppu University), Kabir Md Humayun (Assistant Professor, Department of Political Science and Sociology, North South University)

26. Dollarization and De-dollarization in Transitional Economies of Southeast Asia

This research volume is first of its kind to systematically consolidate the experiences of dollarization and de-dollarization measures in transitional economies of Southeast Asia, including Myanmar. In comparison with dollarization in Latin American and Eastern Europe countries, we note two characteristics of dollarization in CLMV countries (Cambodia, Lao PDR, Myanmar, Vietnam), namely, the underdeveloped banking system at the start of dollarization, and large inflows of foreign currency banknotes triggering dollarization. The subsequent financial development interacted with dollarization under each country's regulatory framework for foreign exchange management, leading to diversified trajectories of dollarization in these countries. When foreign currency is widely used as a medium of exchange and as a unit of account, as was the case in Cambodia, dollarization might become persistent.

While macroeconomic instability is a main driver of dollarization, macroeconomic stabilization reduces the motive for asset substitution, but does not equally work on currency substitution. To contain payment dollarization originating from currency substitution, the experiences of CLMV countries suggest that authorities should control pricing and settlements in foreign currencies.

Organizer: KUBO Koji (Bangkok Research Center, IDE)

Co-researchers: Bhanupong Nidhiprabha (Associate Professor, Faculty of Economics, Thammasat University, Thailand), OKUDA Hidenobu (Professor, Hitotsubashi University), ODAJIMA Ken (Executive Senior Research Fellow, JICA Research Institute), Pham Thi Hoang Anh (Deputy Director, Banking Research Institute, Banking Academy of Vietnam), Phetsathaphone Keovongvichith (Director General, International Relations Department, Bank of the Lao PDR), Set Aung (Deputy Governor, Central Bank of Myanmar)

27. Compilation of Asian International Input-Output Tables: Issues and Extensions

This study aims to produce a book that provides comprehensive knowledge on methodologies used to construct the international input-output tables compiled by Institute of Developing Economies, Japan External Trade Organization (IDE-JETRO) for over 40 years. After illustrating the compilation procedure of the Asian international input-output tables (Asian table), some issues in compilation (e.g., determination of common sector classification, updating methodologies of input-output tables, how to construct import matrices by country of origin through special surveys on imported commodities, etc.) were discussed. The characteristics of the Asian table are also identified through the comparison with other international input-output tables that have been produced in recent years by other international and research institutions. The study possesses value as archival material for future projects on how to construct the Asian table.

Organizer: KUWAMORI Hiroshi (Development Studies Center, IDE)

Co-researchers: TAMAMURA Chiharu (IDE), SANO Takao (Former Professor, Faculty of Economics and Information, Gifu Shotoku Gakuen University)

28. Econometric Modeling of Asian Economies

Our study in FY 2015 is placed with a succession study of various macroeconomic frameworks established since the 1980s in the IDE. This fiscal year, we partly rebuilt the "Economic Link Model for East Asia" completed in our FY 2014 study, which included a SITC-based trade link system as well as a BEC-based one. In addition, we reconfirmed the approach's validity of using macro-econometric models that have been exposed several kinds of criticism over their long history.

Organizer: UEMURA Jinichi (Development Studies Center, IDE)

Co-researchers: ISHIDA Masami (IDE), WATANABE Yuichi (IDE), KEOLA Souknilanh (IDE), YOSHINO Hisao (IDE), TAGUCHI Hiroyuki (Professor, Saitama University)

29. Production Patterns of Multinational Firms in a Four-Country Framework: Theory and Empirics

To answer the question of how a developing country can attract FDI, this research project has been developing a numerical simulation model to perform a series of experiments. This year, we have almost completed development of the analytical tool, which is an extended version of the knowledge-capital model, and performed simulation experiments that reveal basic behaviors and characteristics of the model. The findings at this moment are as follows: (1) multinational firms will not set up plants in developing countries if their relative factor endowments are similar so that the price of unskilled labor is not substantially cheap; (2) when two developing countries differ in size and relative factor endowment, lowering the trade cost (transportation cost or import tariff) of finished products concerning a trade-link between a market country and a developing country motivates firms in a country *not* on the link to be an export-platform MNE operating in a developing country on the link; and (3) complexly integrated MNEs emerge when a market country and a developing country liberalize trade in an environment where transportation cost of components is low while the cost of finished products concerning the trade-link between market countries is high.

Organizer: OYAMADA Kazuhiko (Development Studies Center, IDE)

Co-researcher: UCHIDA Yoko (IDE)

30. Economic Analysis of Political Shocks

This research aims to examine the influence of political shocks on the socioeconomic outcomes. Based on micro-level data, two empirical studies were conducted. The first study investigated whether the Liberian civil war increased infant mortality by exposing pregnant women to a high risk of malaria infection, thus retarding fetal development. This study found that the war-induced, 1 percent increase in maternal infection risk resulted in a 0.44 percent increase in one-year mortality. This mortality effect gradually increased following childbirth as maternal passive immunity waned. The consequences were pronounced for infants conceived in rainy seasons by young mothers residing in rural, battle-intensive areas, with no gender difference detected. This study also provided evidence suggesting a wartime culling of the weakest infants associated with maternal malaria infection.

The second study took advantage of an individual-level panel survey in Ukraine that covers the period during which a political dispute between Ukraine and the Russian Federation led to a cut in gas exports to Ukraine and subsequent, dramatic increase in gas prices to investigate a rally-around-the-flag effect of economic sanctions. The findings show that individuals directly affected by the gas supply issues were significantly more likely to change their views in a "pro-Western" direction following the dispute, and to support more liberal economic policies than individuals who were not directly affected. This effect was more pronounced among Ukrainian than Russian language speakers, suggesting that dimensions of both identity and economic harm can channel the impact of sanction policies on public opinion following the use of economic sanctions.

Organizer: KUDO Yuya (Development Studies Center, IDE)

Co-researchers: William Seitz (Extended Term Consultant, World Bank), Alberto Zazzaro (Professor in Economics, Università Politecnica delle Marche - DISES & MoFiR), Andrea F. Presbitero (Assistant professor in Economics, Università Politecnica delle Marche - DISES & MoFiR)

31. Air Cargo and Airports in Asia

This research project was established to clarify the situation of air cargo in Asia and noted that airports are necessary for air cargo. This research project explains the reasons behind the spread of air cargo. Compared to marine transportation, the volume of air cargo is very small, but air cargo can transport goods faster than marine transportation. Accordingly, air cargo is a noteworthy transportation means recently in the physical distribution of goods. It is also necessary in a physical distribution system to consider what kind of infrastructure construction and maintenance is needed at the airport, which types of cargo are being moved by airplane, how loading and unloading are carried out, and how the airport operates effectively. In addition, the underlying globalization of economy and industry is considered. With the spread of globalization, the manufacturing industry established an international division of labor across a country. In this situation, air transportation is an important means, the same as marine transportation, because the manufacturers need establish a more effective physical distribution system.

For FY2015/2016, the second year of research project, members grasped the situation of air cargo and airports by inviting researchers and practitioners engaged in air cargo and airports. Also, members wrote final reports concerning air cargo in Asia and analyzed the present conditions of the region's main airports as the second year's result.

Organizer: IKEGAMI Hiroshi (Inter-disciplinary Studies Center, IDE)

Co-researchers: ONISHI Yasuo (IDE), UMEZAKI So (IDE), KOJIMA Suelo (Professor, Kokushikan University), HANAOKA Shinya (Associate Professor, Tokyo Institute of Technology), AMENO Hiroko (Professor, Kansai University)

32. Role of Policy in Building Up Yiwu Market

The focuses in this project were on transaction costs under circular causality between sellers and buyers and setup costs outside a marketplace under cost-sharing among sellers in a marketplace. Regarding the former, we investigate an economic model in which circular causality, including search and matching between buyers and sellers, forms agglomeration forces. We find that an authoritative third party that reduces search costs is important in the formation of a large marketplace. However, it is unnecessary to reduce search costs to zero. The low capital requirement of setting up a firm fosters the formation of a marketplace owing to its increased product heterogeneity. Regarding the latter, we introduce Melitz-style firm heterogeneity to focus on the case when heterogeneous firms use traditional marketplaces or modern distribution channels based on their productivities. It is shown that the coexistence of a traditional marketplace and modern distribution channels improves social welfare owing to sharing of fixed costs in the marketplace. We further find that a deregulation policy outside a marketplace and accumulation of human capital will also definitely expand a marketplace's size and improve social welfare.

Organizer: GOKAN Toshitaka (Inter-disciplinary Studies Center, IDE)

Co-researchers: DING Ke (IDE), ZHU Xiwei (Professor, Zhejiang University)

33. Economic Division in British India: An Analysis of Population Dynamics

International borders split spaces into different countries and add obstacles to trans-national transactions. The emergence of international borders after 1947 in South Asia, where it was British India, induced substantial changes and formed different countries. The purpose of this research project is to formally investigate the impacts of the emergence of the "international border" in Bengal and quantify the impacts by observing the dynamics of population distribution.

This emergence of an international border in the middle of Bengal not only resulted in a change in the name of the eastern part to East Pakistan, but caused substantial changes in migration, economic flows, and population distribution. Subsequently, East Pakistan became independent in 1971 as Bangladesh.

“Partition, Independence, and Population Geography in Bengal” (IDE Discussion Paper No. 590) explores the changing population geography in Bengal, with a particular focus on the events of 1947 and 1971 based on decadal census data from 1901 to 2001 at the district level. Following Redding and Sturm (2008), Differences-in-Differences estimation is also employed here and the events of 1947 and 1971 are taken as the subjects of the test. We found that in West Bengal showed clear differences in trends before and after 1947. On the other hand, East Bengal showed a gradual change after 1947 until 1971 and statistically significant growth after 1972.

Organizer: TSUBOTA Kenmei (Overseas Research Fellow, IDE)

Co-researchers: SHONCHOY Abu (IDE), KEOLA Souknilanh (IDE)

34. Formation and Operation of Law, Institutions, and Organizations Concerning Resource and Environmental Policy

Most developing countries confronting the dilemma between economic development and the environment have difficulty in achieving balanced economic development, while in some developed countries may have begun adjustment towards a more balanced development.

This joint research grew out of concerns regarding this topic and each article charted the environmental policy formation processes in particular country or in terms of particular issues such as irrigation policy. In many cases, early attempts of environmental policy formation in developing countries went wrong. In some cases, a sign for change towards more balanced development appeared for a while only to disappear without sufficient results. To learn from experiences of past failures in environmental policy formation, we tried to investigate in each article why and how early attempts of environmental policies went wrong and determine the background to those processes.

The central idea advanced in this joint research is that as “latecomers,” developing countries face two types of difficulties in their formation of environmental policy. One is the fact that environmental policy as a relative “latecomer public policy” has generally been formed after other public policies and thus, its policy domain usually overlaps with existing policy domains such as industrial and public health policies. Thus, environmental policy formation needs adjustment to mesh with the prior policy domains and faces difficulty in its adjustment as “latecomer public policy.” Another difficulty found in the study is the difficulty in policy priority for developing countries in their “latecomer” industrialization. In developing countries, environmental policy is more subordinated to economic development than in developed countries. Policy priority toward economic development in developing countries serves as an inherent preventive factor for advancing environmental policy formation. With this idea of “latecomer public policy” formation in “latecomer” industrialization in common, the studies shared an historical approach to highlight the environmental policy formation processes through comparison of developed and developing countries.

Organizer: TERAQ Tadayoshi (Inter-disciplinary Studies Center, IDE)

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

35. Impact of Policies to Promote the Use of Energy-Efficient Appliances in Emerging Asian Economies

Sustained economic growth and rising incomes in the emerging economies of Asia have been accompanied by an increasing demand for energy. With an eye towards avoiding future energy shortages, many of these countries have adopted policies to promote the use of energy-efficient electrical appliances such as minimum energy performance standards and mandated labeling of energy consumption information. Some

countries have also begun subsidizing the purchase of energy-efficient appliances. This research project evaluates such policies in the context of air-conditioner (AC) markets in Japan, China, and Thailand. We analyze detailed market data in order to quantify the welfare and energy-consumption impacts of standards and labeling. In addition, we examine impact of international cooperation in the spread of energy-saving equipment.

The top-runner policy in Japan, which determines an average standard by benchmarking the most energy efficient equipment, is effective in stimulating innovation and demand for energy efficient ACs. In Thailand, a labeling program and Minimum Energy Performance Standards improved the energy efficiency of ACs. In China, consumer evaluation of energy efficiency label is not monotonically correlated with the number of energy efficiency grades.

International cooperation is a key to promoting diffusion of energy efficiency standards and labeling programs. It is observed that “Public-Private Partnerships” are important in conservation and environmental cooperation between China and the United States.

Organizer: WATANABE Mariko (Professor, Faculty of Economics, Gakushuin University)

Co-researchers: KOJIMA Michikazu (IDE), CHENG Fang-Ting (IDE)

36. Institutional Innovations and Adaption to Marketization in Rural China: Economic Analysis of Cooperative Organization and Collective Ownership System

Since the early 1980s, two remarkable institutional innovations have emerged in rural China. The first is the rapid development of a new type of intermediate organization, called a cooperative organization, to improve the efficiency of agricultural production. The other innovation is a cooperative ownership system under the rural collective ownership system, which is peculiar to China.

In the second year of this two-year research project, we conducted two types of international joint research with academic research institutes in China to collect relevant micro data. First, cooperating with the Research Center for Rural Economy of the MoA (Ministry of Agriculture), we chose nine agricultural and shareholding cooperatives in Hebei province in which to conduct questionnaire surveys of cooperatives’ presidents, village leaders, and their member households. Second, we performed a longitudinal slaughtering-firm survey (2008, 2010 and 2015) in Henan and Jilin provinces with the Institute of Agricultural Economics and Development of the CAAS (China Academy of Agricultural Science) to investigate structural changes in the pork industry during the period. Employing these original survey data, we examined the role of cooperative organizations and cooperative ownership system in rural development, focusing on the economic relationships among stakeholders, including local governments, firms, brokers, and farmers. The major results of our research activities are summarized in three independent discussion papers.

Organizer: HOKEN Hisatoshi (Development Studies Center, IDE)

Co-researchers: YAMADA Nanae (IDE), WATANABE Mariko (Professor, Faculty of Economics, Gakushuin University)

37. Efficiency and Occupational Safety on Trucking Industry in Thailand: A View from Personnel and Organizational Economics

What is the effect in developing economies of traffic accidents related to trucking firms? This paper addresses this question by investigating the influence of incentives for accidents and production efficiencies in the trucking industry in Thailand in the context of a multitask principal-agent model. By running in-depth interviews and conducting a unique firm-level survey, this paper finds that an increase in accidents and increases in damage and loss of cargo are associated with the principal’s provisions of incentives for speeding-up. This paper is a first contribution to examine the costs of the principal’s provisions of incentives for one task when the driver faces a multitask principal-agent problem in a trucking service context. Furthermore, increases in production efficiencies are also associated with incentives for speed-

ing-up. There is no statistical relationship between an increase in profitability and provision of incentives. Moreover, to seek sources of the principal's choice of incentive scheme, this paper analyzes the role of demand, which influences the orders that the trucking firm ships and commodities it handles.

Organizer: MACHIKITA Tomohiro (Inter-disciplinary Studies Center, IDE)

Co-researchers: UEKI Yasushi (ERIA; IDE), TSUJI Masatsugu (Professor, Graduate School of Applied Informatics, University of Hyogo), Chawalit Jeenanunta (Head of the School of Management Technology, Sirindhorn International Institute of Technology, Thammasat University)

38. Interactive Approach to Water Governance: Case Studies in Asia

In this fiscal year, we have produced an interim report for further discussion in the next fiscal year. Its content is as below. In Chapter 1, "Seeking Approaches to Water Governance in Asia," Kenji Otsuka discusses possible perspectives of water governance study in Asia. In Chapter 2, "Processes of Interactive Governance Leading to Drastic Policy Change: The Case of the Arase Dam Removal in Japan," Tomohiko Ohno analyzes the policy process leading to removal of the Arase Dam, the first instance of large-scale dam removal in Japan, and the interactions among actors in this process. In Chapter 3, "Utilizing the Multi-stakeholders Roundtable Mechanism to Achieve Watershed Environmental Improvements in Zhejiang Province, China: Interactive Governance under an Undemocratic Regime," Guohan Liu discusses why watershed roundtables were possible and how they were designed and organized through investigating 11 watershed roundtables run by a NGO. In Chapter 4, "Interactive Governance and Community Mechanism: The Case of Watershed / Resources Management of Laguna Lake, the Philippines," Tadayoshi Masuda outlines governance structures consisting of central and local government and local communities in watershed and resources management in Laguna Lake. In Chapter 5, "Challenges and Prospects of Interactive Watershed Governance in India: An Overview," Hebin Lin conducts a preliminary analysis for a comprehensive investigation on how to improve interactive watershed governance in India.

Organizer: OTSUKA Kenji (Inter-disciplinary Studies Center, IDE)

Co-researchers: MASUDA Tadayoshi (Associate Professor, Faculty of Agriculture, Kinki University), ONO Tomohiko (Associate Professor, Kanazawa University), LIN Hebin (Director for Asia and the Pacific, International Environmental Management Services Ltd. (IEMS))

39. Socioeconomic Analysis of South Korea in the Low-Growth Era

Recently, the South Korean economy's growth rate has been slowing. One of the reasons for the low growth rate is the rapidly declining birth rate and growing proportion of elderly people, which results in a decrease in the economically active population and depresses private consumption. To cope with this problem, the South Korean government needs to strengthen the social welfare system, but there is little social consensus regarding how to deal with the resulting increased welfare burden.

Another reason for the slow growth rate is the decline in the international competitiveness of Korean industries, which have been faced with sluggish exports. Many Korean companies have succeeded in catching up with companies from advanced countries in the export market, but few have succeeded in becoming the global industry leaders on the technological level. Now they are facing rapidly catching up Chinese companies in the world market.

This study aims to comprehensively analyze the recent social and economic problems of South Korea. In the analysis, we emphasized the comparison with the so-called "20 lost years" in Japan. This year, as the first year of this project, we analyzed the relative consumption propensity of the elderly, the future fiscal burden of aging, price and non-price competitiveness by partner country and commodity, and the accumulation of experience in product and process development.

Organizer: ABE Makoto (Area Studies Center, IDE)

Co-researchers: WATANABE Yuichi (IDE), OKUDA Satoru (Professor, Institute of Asian Studies, Asia University), TAKAYASU Yuichi (Professor, Faculty of Economics, Daito Bunka University)

40. Databases of Articles and Evaluation Systems in the Humanities and Social Science of East Asia

Our project has two objectives. First, we aim to show the development of article databases in East Asian countries such as Japan, South Korea, Taiwan, and China. Another objective is to understand how these databases are used for research evaluation in these countries. In addition, we also examine the researchers' responses to the evaluation system based on the databases.

In South Korea, Taiwan, and China, governments or the private sectors have aggressively constructed databases, and evaluation systems based on these databases are used widely. In Japan the databases have been compiled, but the data on citations are far less collected and organized. In addition, there is scant linkage between the databases and the research evaluation.

Research evaluations based on the metrics calculated from the databases, like Impact Factors, have been criticized severely. The criticisms can be sorted into the two types. One is that journal-based metrics are not appropriate for evaluating articles. Another is that these metrics often produce negative side effects. We hope that our study can contribute to deepening the discussion about what form the databases and the research evaluation should take.

Organizer: SATO Yukihiro (Inter-disciplinary Studies Center, IDE)

Co-researchers: KANO Shuji (IDE Library), NIKAI Hiroyuki (IDE Library), SAWADA Yuko (IDE Library), KISHI Mayumi (IDE Library)

41. Socioeconomic Impacts of the Proliferation of Convenience Store Chains in Developing Countries

In recent years, Japanese-style "convenience stores" are rapidly increasing in number not only in East Asia (Taiwan, Korea, and China) but also in Southeast Asia (Thailand, Malaysia, Singapore, and Indonesia). This study intends to clarify what socioeconomic impacts result from this phenomenon among poor people both in urban and rural areas. As the preparation phase, we conducted following research in this fiscal year.

1. Conduct a review of existing research in the field of business management;
2. Understand the current problems of convenience store chains in the saturated situation of the Japanese market;
3. Analyze the report by Ministry of Economy, Trade and Industry titled "Study of economic and social role of the convenience store," published in March 2015;
4. Then, study the discussion of the "McDonaldization" as an analytical framework of "Convenienceization of" phenomena. We found out that the McDonaldization framework may be applicable in analyzing the impact of "convenience stores." However, impacts on eating habits of convenienceization on consuming habit may be far greater than those of "McDonaldization."
5. Finally, in order to clarify the concept of "Japanese-style convenience store," we invited Professor Kawabe of Waseda University to learn the history of convenience store. After an original business model was brought from the United States, we sought to determine what changes followed in Japan. We discussed the prospects of changes or domestication process of the Japanese-style convenience store when they entered into markets in developing countries.

We satisfied this year's research project as a preparatory study for further analysis, and we will continue this study by expanding the research team.

Organizer: SATO Hiroshi (Research Planning Department, IDE)

Co-researcher: SATO Yukihiro (IDE)

FUNDED RESEARCH

Synthesizing the Impact of Thailand's Logistics Infrastructure Management and Supply Chain: Redesign within the Context of the ASEAN Economic Community (AEC) through the Use of the IDE-GSM Model (Phase 3)

Through collaboration between IDE-JETRO and Thammasat University, we calculated the economic

impacts of the transport infrastructure development plan in Thailand and AESAN member countries using the IDE Geographical Simulation Model (IDE-GSM).

We modeled the following scenarios: (1) the “most likely” scenario in which projects in each country are partially implemented, (2) the “best” scenario in which the planned projects are fully implemented, (3) the scenario in which only Thailand implements the development projects, (4) the scenario in which only railway improvement projects in Thailand are implemented, (5) the scenario in which only port improvement projects in Thailand are implemented, (6) the scenario in which Non-Tariff Barriers (NTBs) for Thailand are reduced, and (7) the scenario in which Border Economic Zones (BEZs) near the border between Thailand and surrounding countries are constructed.

The simulation analysis revealed that the economic rationality of BEZs is not evident. BEZs contribute to reducing the income gap between urban and rural areas in Thailand at a certain level while their contribution to the economic growth is very low. In addition, the economic impacts on the surrounding countries are rather negative.

Researchers: KUMAGAI Satoru (Inter-disciplinary Studies Center, IDE), ISONO Ikumo (IDE), GOKAN Toshitaka (IDE), KEOLA Souknilanh (IDE), HAYAKAWA Kazunobu (IDE), TSUBOTA Kenmei (IDE)

Coordinator: KATAOKA Masaki (IDE)

PROJECTS FUNDED BY GRANTS-IN-AID FOR SCIENTIFIC RESEARCH

Grant-in-Aid for Scientific Research (B)

1. Analyzing Markets and Industrial Development in Developing Countries Using the Structural Estimation Method: Case of the Motorcycle Industry in Southeast Asia

This research aims to capture the structure of both market and industry cohesively by conducting a structural estimation of the behavior of consumers and producers as well as interactions among the players. We consider the case of the motorcycle industries in Vietnam and Indonesia, which have experienced remarkable growth driven by competition between foreign and local producers. The research specifically aims to make quantitative assessments of (1) features of the markets, (2) value added generated by producers’ strategies (e.g., quality improvement and branding) and allocation of the value added among producers participating in the production chains (i.e., motorcycle assemblers and component suppliers), and (3) changes in consumer welfare resulting from market competition.

In 2015, we mainly conducted the following two activities. First, we conducted a survey of motorcycle sales to collect data on consumer behavior in the motorcycle industry. With the cooperation of research institutes in Vietnam and Indonesia, we collected data on the types of motorcycles sold at sampled motorcycle retailers in the two countries and the characteristics of consumers who bought them. Second, we designed a survey of motorcycle component suppliers with the aim of grasping the structure of motorcycle production in Vietnam and Indonesia, and conducted a pilot survey in the two countries to test the viability of the survey design.

In 2016, we plan to analyze the consumption data collected in 2015 and to conduct the survey of motorcycle component suppliers by adopting the survey design improved on the basis of the pilot survey.

Principal Investigator: FUJITA Mai (Area Studies Center, IDE)

2. Reaching the Unreached: Ultra Poverty Reduction 2

The purpose of this study is to examine the possible reasons behind the lack of outreach by microfinance to the ultra poor. The reasons include (1) lack of entrepreneurship, (2) convex technology, (3) inability to save, and (4) aversion by lenders. We use a randomized controlled trial (RCT) to empirically test these hypotheses. This year, we implemented a follow up survey. We have summarized the results from the initial

round of data and examined the causal relationship between debt contract design and microfinance participation. We have published the result in an academic journal.

Principal Investigator: ITO Seiro (Overseas Research Fellow, IDE)

3. Roles of Judiciary in the Process of Democratization: Comparative Analysis of the Middle Eastern and Islamic Countries

This research project aims to explain the mechanism that causes progress, stagnation, or regression of democratization in the Middle East and Islamic countries by level of judicial independence and preference of constitutional review for hegemonic preservation or horizontal accountability. For this purpose, we focus on the common phenomena of “Judicialization of Politics” in five Middle East and Islamic countries (Turkey, Egypt, Kuwait, Pakistan, and Azerbaijan) although large differences exist in their respective democratization levels. We reveal the actual state of “Judicialization of Politics” by comparative analysis of mutual relationship between the judicial authority and other institutional actors such as executive, legislature, armed forces, and royalty over constitutional review. In addition, we examine the association with Islamization of politics, which seems to be unique to the Middle East and Islamic countries, to find characteristics of the role of judiciary in the region and establish comparability of our study with other regions.

Principal Investigator: ISHIGURO Hirotake (Area Studies Center, IDE)

Grant-in-Aid for Scientific Research (C)

1. The Middle-Income Trap from the Viewpoint of International Trade: Case of Malaysia

The middle-income trap has been a buzzword in international development society for the last few years. By combining macroeconomic and trade data analysis with industry and firm-level observations, this research project tries to critically analyze the threat that the middle-income trap poses to East Asian countries at present and in the near future, and to identify the mechanism behind the trap if it really exists.

I conduct an empirical analysis on the relationship between income level and net export ratios (NXRs) for different types of goods for trapped and non-trapped samples separately. The findings indicate that non-trapped countries successfully upgrade their export goods while trapped-countries continue to depend on the export of primary commodities. The negative correlation between the NXRs of consumption and capital goods and that of primary commodities suggests the existence of a resource curse, meaning that resource-rich countries have special difficulties in industrializing and upgrading their industrial structure.

Principal Investigator: KUMAGAI Satoru (Inter-disciplinary Studies Center, IDE)

2. Effects of Public Interest Litigation on the Indian Socio-Economy

This research project aims to consider the effects of public interest litigation (PIL) on the Indian socio-economy. PIL, which appeared in the late 1970s, seems to have now securely taken root in Indian society. While PIL has been widely studied in terms of factors that enabled and prompted such judicial activism in the field of legal studies, it is often referred to nowadays as a distinct example of judicialization of politics in the sphere of political science. In this context, this project attempts to study PIL by considering its relationship with India’s economic development. Specifically, the project focuses on some important environmental cases that have had major economic impacts. In so doing, this project would also contribute to an inter-disciplinary attempt to understand both the uniqueness and universality that characterize PIL.

Principal Investigator: SATO Hajime (Area Studies Center, IDE)

3. Empirical Study of Capacity Building of Firms in ASEAN for Innovation

The research intends to develop models that explain the building of innovation capacity by local firms in ASEAN, and examine these models empirically by applying statistical methods. The research team utilizes unique firm-level datasets constructed from questionnaire surveys of manufacturing firms in ASEAN and other datasets for the empirical study. In FY2015, based on studies on local manufacturing and trucking firms in Thailand, the research team investigated factors allowing local firms to achieve innovations by applying econometric methods, path modeling, and qualitative comparative analysis. The research team also conducted interviews in Japan regarding industry–university linkages and activities of a trucking association in Japan to consider policies necessary for enhancing the innovation capability of ASEAN local firms.

Principal Investigator: UEKI Yasushi (ERIA; IDE)

4. Structural Change of Chinese Labor Market after Arrival of the Lewisian Turning Point: Occupation Selection and Generation Gap among Migrant Labors

The purposes of the research project are twofold. First, we identify personal and household attributes to determine occupational choice of migrant laborers by employing data-matching techniques and econometric methods. Second, we evaluate the effects of personnel management provided by manufacturing enterprises on worker commitment, making a comparison between the first- and second-generation migrant laborers.

In recent studies on human resources and organizational management concerning turnover intentions of new employees, an analytical concept of “job embeddedness” is becoming popular and being applied for empirical studies. Job embeddedness represents a broad constellation of influences on employee retention, and it focuses on three aspects of relationship: links to others, fit with the environment, and sacrifices of material or psychological benefits that would be made by leaving. According to these concepts and related studies, we propose three hypotheses to examine in this project. First, the higher on-the-job embeddedness and job satisfaction are, the higher organizational commitment of employees in their workplaces. Second, “organizational commitment,” which is defined as the strength of an individual’s identification with and involvement in a particular organization, mediates a negative relationship between on-the-job embeddedness (or job satisfaction) and turnover intention, whereas organizational commitment also mediates positive relationships between on-the-job embeddedness and willingness to acquire new skills. Third, there is a significant difference between first- and second-generation migrant employees concerning the structure of turnover intentions.

In order to test these hypotheses, we conducted a manufacturing factory employee survey in Suzhou in 2014. The sample of the employee survey was mainly restricted to assemblers who had migrated outside Suzhou city. Then, we constructed a theoretical framework for job-commitment mechanism and performed covariance structure analysis. The estimated results show that both job embeddedness and job satisfaction significantly enhance organizational commitment of employees to their workplaces, and the standardized coefficient of job satisfaction is slightly larger than that of job embeddedness. The results also demonstrate that higher organizational commitment by migrant workers significantly reduces their turnover intentions. In addition, both on-the-job embeddedness and job satisfaction have significantly positive effects on organizational commitment for second-generation migrant laborer who are less than 25 years old, whereas only job satisfaction has significantly positive impacts on organizational commitment for earlier generations of migrant laborer who are more than 25 years old. However, it is common between generations that the higher the organizational commitment, the lower the turnover intention.

Based on our examinations on the job-commitment mechanism of migrant laborers, we can propose policy recommendation that a more employee-friendly working environment and careful job training for newly entered migrant workers appears to be effective way to increase their organizational commitments to their workplace as well as to prevent them from resigning from their present workplaces easily.

Principal Investigator: HOKEN Hisatoshi (Development Studies Center, IDE)

5. The Impact of Out-migration on Economic Disparities in Rural India

This research project aims to examine the impact of increasing out-migration on economic disparities in rural India in the short and medium term by collecting primary data. Specifically, this research focuses on Bihar, one of the most underdeveloped states in India. By revisiting the same households in rural Bihar where a project member previously conducted surveys, economic changes to households and villages are examined by considering migration. Moreover, the impact of migration on changes in agriculture and non-agriculture wages together with female participation in the rural labor market among other economic and social changes are analyzed. Ultimately, an attempt will be made to illustrate the mechanisms of widening or redressing economic disparities. During the third year of the four-year-project, I analyzed the results of the two rounds of household surveys. Our tentative findings are as follows: (1) the percentage of households with any migrant slightly increased. It seems the rural public work scheme does not have much impact on out-migration as opposed to media reports that migration from rural areas reduced due to public work schemes; (2) it is difficult to claim that agriculture and non-agriculture wages increased due to large outflows of migration from the sample villages; and (3) it is observed that the higher male out-migration resulted in the withdrawal of some labor classes of women from agriculture work in imitation of upper-caste norms for females in some villages.

Principal Investigator: TSUJITA Yuko (Area Studies Center, IDE)

6. GMS Economic Corridors: Focusing on Human Connectivity

This study focuses on human connectivity, or people to people connectivity, in the Greater Mekong Subregion. In the fiscal year of 2015, I conducted a survey on Thai tourists who visit Central Vietnam and exchanges of students among Thailand, Vietnam, and Lao PDR.

As for tourists, I conducted a survey with an assumption that Thai tourists will make use of the East–West Economic Corridor after the completion of Second Friendship Bridge between Thailand and Lao PDR. As a matter of fact, the number of Thai tourists to Central Vietnam extremely increased in 2007, the year following completion of the bridge. On the other hand, with the completion of Third Mekong Friendship Bridge in 2011, four provinces in Thailand, two provinces in Lao PDR, and three provinces in Vietnam established sister-city relations and Thai tourists from such provinces who visit Vietnam also increased. Therefore, the people have clearly forged connections in a broader area.

Regarding the exchange of students and lecturers, such activities have been also expanded between northeastern Thailand and central Vietnam. More and more Lao students have been received by universities in Northeastern Thailand and Vietnam rather than the reverse situation. But not a few Lao students with scholarships are government officials or children of government officials.

In conclusion, the people-to-people connectivity is more active in the area between northeastern Thailand and central Vietnam including the southern part of Lao PDR, and the distance between Thailand and Vietnam is closer in this area.

Principal Investigator: ISHIDA Masami (Development Studies Center, IDE)

7. Rise of Latecomer Firms as Platform Vendors: Case of Taiwanese SoC Vendors

“Industry platforms” are products, services, or technologies that serve as foundations upon which other firms can build complementary products, services, or technologies (Gawer 2009). Since the early 2000s, Taiwan has witnessed the emergence of powerful local firms that act as industry platform providers. This three-year research project investigates the firm-level learning mechanism that makes the emergence of these late-comer platform vendors possible. In FY 2015, I examined the following case studies. First, I investigated the growth mechanism of Taiwanese flat panel TV SoC (system-on-chip) vendors and analyzed how Taiwanese firms acquired system-level knowledge required for platform vendors. Second, I

conducted intensive interviews with founders of mechanical device start-up firms in Taiwan and explored their attempts to build platform-type devices and solutions. I also investigated their strategies to leverage their linkages with Silicon Valley's medical device start-up communities.

Principal Investigator: KAWAKAMI Momoko (Area Studies Center, IDE)

8. Empirical Assessment of Welfare Improvements in Japan by Trade Liberalization

This research project attempts to compute the welfare gains from the past trade liberalization in Japan. Japan has promoted its trade liberalization through GATT/WTO and recently also through bilateral trade agreements. Now that negotiations for the Trans-Pacific Partnership (TPP), the largest trade liberalization agreement, have been settled, it is important to evaluate the extent of the welfare gains Japan has reaped from past trade liberalization. Welfare gains through international trade are a cornerstone of international economics literature. Although theoretical works on the issue have been carried out since the 19th century, empirical assessments were not done until recently because of lack of data. However, data availability improved around 15 years ago, and the development of methodologies proposed by Broda and Weinstein (2006), Feenstra and Weinstein (2010), and Arkolakis, Costinot, and Rodríguez-Clare (2012) has enabled researchers to empirically assess welfare gains from trade. Building on these methodologies and the data we compile, this research project will estimate Japan's welfare gains from its trade liberalization of agricultural products and then the total trade. Using the data we compiled in the fiscal year 2014, we completed the computation of the welfare gain from Japan's trade liberalization of agricultural products, whose results were made public as a working paper. We also made progress in welfare gain computation from the trade liberalization of Japan's whole manufacturing sector. The results are to be made public as a working paper in fiscal year 2016.

Principal Investigator: ITO Tadashi (Inter-disciplinary Studies Center, IDE)

9. Environmental and Disaster Risk Reduction Governance Based on Practical and Relational Knowledge by the Community: Comparative Case Studies in Japan and China

We held several meetings in Tokyo and Chiba with intensive discussion on the research ideas, planning, and results of field research among members and an invited guest speaker as well. As for case studies in Japan, we participated in workshops on other related projects such as the "Nigecihzu" project, which is trying to develop an evacuation map not only by experts but also jointly with residents, and for which we visited the town government of Minami Izu, where the workshop was held, to learn local governmental responses toward the coming disaster of Nankai Trough quakes. Also, we visited Kochi Prefectural Government, Niyodo Town of the Kochi Prefecture, and Sugunami Ward of Tokyo Metropolitan to learn the disaster preparedness, responses to aging and depopulating communities, and regional partnerships between urban and rural areas to overcome their disadvantages. As for case studies in China, the organizer of this research project conducted a field visit to the cancer villages in the Huai River Basin where a local NGO has been actively trying to construct diversified facilities of an ecological purification system for safe, clean drinking water, some of which are funded by the Japanese Embassy in Beijing as the Grant Assistance for Grass-roots Human Security Project. Also in Beijing, the organizer participated in the annual Forum on Health, Environment, and Development to learn about and exchange related experiences and tasks between China and Japan. For Japanese citizens broadly, the organizer presented the idea of sustainable East Asia focusing on human security issues based on research and discussion of this research project at the international symposium held jointly by the Asahi Shimbun AJW, its Chinese and Korean counterparts, and Waseda University, and his major points were reported in its newspaper.

Principal Investigator: OTSUKA Kenji (Inter-disciplinary Studies Center, IDE)

10. International Solidarity against Apartheid: The Case of Japanese Citizens' Movements

This research project aims to trace the historical development of the anti-apartheid movement in Japan, which started in the 1960s and continued until the early 1990s when the apartheid regime fell and was replaced by a democratic government in South Africa. It also explores ways to conserve primary source materials of such movement (such as newsletters, pamphlets, and so on) so that they can be used as references by future scholars, and citizens.

For the above purposes, we conducted interviews with former members of the Japan Anti-Apartheid Committee (JAAC) and other citizens' movements in Tokyo, Osaka, Aichi, Hiroshima, and Nagano throughout the year. We also held a research workshop in June 2015 with Prof Chikanobu Michiba (Wako University) as the guest speaker. In August 2016, we made a research trip to Sweden, which played a central role in the anti-apartheid international solidarity movement.

As for the conservation of anti-apartheid movement materials, we have started negotiations to transfer the materials to an academic institution. We also digitized most of the newsletters and publications of the JAAC.

Principal Investigator: MAKINO Kumiko (Area Studies Center, IDE)

11. De-dollarization in Myanmar

This research aims to shed light on the state of dollarization, i.e., domestic residents' holdings of foreign-currency-denominated assets, in Myanmar, and to clarify issues for the country to de-dollarize its economy. Using results from a questionnaire survey of firms, this research investigates why firms hold foreign-currency-denominated assets.

In the second year of the research in 2015, a questionnaire survey of firms was conducted that examined firms' possession of foreign-currency-denominated assets, international trade settlement channels, and their currency exchange methods. The survey covered 240 firms that had either exports or imports. Using Customs' data for fixing the population of firms, we selected firms by stratified sampling according to their trade size. There were three major findings. First, firms are less likely to hold financial assets; instead, a large portion of their assets are in sales on credit, advance payments, and inventories. Second, most firms utilize off-shore bank accounts for international trade settlement, and they hold a certain portion of working capital in such accounts. Third, for currency exchange, firms prefer informal bilateral trading of foreign exchange among exporters and importers; 60 percent of exporters and 50 percent of importers have never used banks for currency exchange. This strongly suggests that firms hold foreign exchange for the sake of informal currency exchange rather than asset portfolios.

In the coming years, the survey data will be examined thoroughly to investigate what firm attributes are associated with use of informal currency exchange methods.

Principal Investigator: KUBO Koji (Bangkok Research Center, IDE)

12. Growth of Agricultural Corporation in Latin America

Recent changes in agricultural markets induced an emergence of new types of farming organizations in Latin America, namely corporate agriculture. Changes in markets include expansion of input markets, such as increasing mobilization and securitization of farm land, increasing supply of knowledge-intensive inputs such as genetically modified seeds, wider availability of farming contractors equipped with highly sophisticated machinery, etc. Also, output markets are changing due to increasing demand from modern retail outlets and food-service and food-processing companies. Agricultural production itself is also changing rapidly. It used to depend on producers' know-how based on their experience. However, it now depends more on scientific knowledge and data. Employed supervisors and labor force can produce crops by following instructions.

Adapting to these changes in agriculture, corporations are entering into agricultural production. They procure capital and inputs from markets, hire supervisors and wage laborers, introduce cutting-edge technology such as smart agriculture, and produce food crops, fruits, and vegetables, and livestock.

This study analyzes corporate agriculture focusing on structures and functions of management organizations, as well as their relationships with other actors in the same value chain. It also determines factors that allow corporate agriculture to continue and expand, and identifies its limits. The result of this study will help public sectors in developing countries to increase food production in the future.

Principal Investigator: SHIMIZU Tatsuya (Area Studies Center, IDE)

13. Impacts of Product-related Environmental Regulations in Asia through Supply Chains

Globalization presents new challenges for the rapidly growing economies of East Asia. One notable trend in global markets is the increasing importance of public regulations as a condition of access to developed country markets. The current research examines the impacts of public regulations introduced in developed countries on manufacturing firms in Asian exporting countries. The regulations require firms to upgrade product quality and firms need to respond to the new challenge in order to keep market access to regulated market.

By using firm survey data conducted in Vietnam, Malaysia and Japan, the research attempts to reveal how regulatory introduction affects firms' behavior. It focuses particularly on regulations of the European Union on chemicals and hazardous substances (RoHS and REACH). Research has been conducted with regard to product quality and trade, and regulation and trade using bilateral trade data as well as manufacturing plant data. However, the current project attempts to offer new evidence by examining a change of firm decision on the timing of regulatory introduction that requires upgrade of product quality.

Principal Investigator: MICHIDA Etsuyo (Overseas Research Fellow, IDE)

14. The Rise of Temporary Jobs in Local Labor Markets

It has become important to gain accurate understanding of how economic globalization affects firms, workers, and cities through transactions along global production chains. This research project has two main agendas. First, we advance our basic understanding of city-level facts on (1) industrial localization, agglomeration of different industries, and its changes in the last thirty years in Japan; (2) skill and temporary employment compositions of workforce and its changes; and (3) trade-induced regional labor market shocks through the impacts of economic transactions along production chains within and across borders and through industrial localization. Second, we develop a model to explain empirical patterns of the above facts and effects of trade on changes in formal and temporary employment through the production chains within and across borders. This model incorporates firm-level choice of flexibility and upgrading through outsourcing a task to temporary or foreign workers based on changes in the division of labor across countries and industrial upgrading in emerging economies. The proposed research thus contributes to the existing literature and policy discussions to identify and estimate the globalization channel of changes in the labor market from the angle of global production networks.

Principal Investigator: MACHIKITA Tomohiro (Inter-disciplinary Studies Center, IDE)

15. Stunted Manufacturing Growth in Africa: Labor Cost Approach

Diversification of industrial structures is slow in sub-Saharan Africa despite efforts countries have made since independence. This project focuses on the role of labor costs in changes of industrial structure, which has been investigated by few studies so far. In FY2015, a member reviewed the literature related to structural changes. Some studies reported that labor immigration from rural to urban areas was not significant in Africa, and thus has prevented growth of industries other than agriculture. This fact is

consistent with our hypothesis that high urban formal sector wages relative to rural income slows industrialization. Based on the literature, we would investigate rural-to-urban migration that may result in a large labor cost gap between urban and rural areas. A journal article reviewing the related literature will be published in 2016.

Principal Investigator: FUKUNISHI Takahiro (Area Studies Center, IDE)

16. Development and Applications of an Applied General Equilibrium Model of Global Trade with a Public System that Partially Subsidizes the Fixed Costs of Private Firms

The purpose of this research project is to develop an applied general equilibrium (AGE) model of global trade that explicitly includes mechanisms through which infrastructure development and public services financed by tax revenues reduce the fixed-cost burden for business operations. Considering the Melitz-type production/sales system, instead of the "Armington assumption," which has been widely assumed in many AGE models, analyses on the effectiveness and optimal volumes of public support for overseas business development, such as those provided by the Japan External Trade Organization (JETRO), are carried out. In fiscal year 2015, a global AGE model with Melitz-type firm heterogeneity developed by Oyamada in a previous research project has been updated. In particular, the program code for the GAMS (General Algebraic Modeling System) software has been extended and transplanted to the GEMPACK (General Equilibrium Modelling PACKage) software. Although it is relatively easy to code a model and execute iterations using GAMS, solving a large-scale complicated system of simultaneous equations often requires devices and elaborations. Hence, we decided to utilize GEMPACK, which might be powerful in handling so-called "hard-to-solve models" such as those including production sectors with increasing returns to scale, together with GAMS. Checking feasibilities of prototype models with GAMS and transplanting selected versions to GEMPACK enables us to maximize the efficiency of our development works.

Principal Investigator: OYAMADA Kazuhiko (Development Studies Center, IDE)

17. Income Inequality and Political Stability: Comparative Study of Five Southeast Asian Countries

In recent years, we find political instability and changes in relations between major political actors in Southeast Asia, especially among the five economically advanced countries (Indonesia, Malaysia, the Philippines, Singapore, and Thailand). Such political changes seem to be caused by income inequality. This study aims to reveal the causal mechanism of political instability related to widening income inequality in Southeast Asia. We particularly focus on political institutions as a key to understand this mechanism. Political institutions are expected to mitigate the conflict caused by income inequality and to bring about political stability. We examine the function and capability of political institutions in the respective countries in this regard. Through this investigation, we expect to find the institutional conditions to bring about political stability not only in Southeast Asian, but also in general.

Various political institutions, both formal and informal, are designed to respond non-economic social cleavages (e.g., ethnic, religious, or regional ones) or are set up based on patron–client networks in Southeast Asia. However, these institutions lack sufficient capability to respond to new cleavages and issues caused by widening income inequality. We examine the process of these changes by comparing five Southeast Asian countries that share similar external and economic circumstances.

Principal Investigator: KAWANAKA Takeshi (Area Studies Center, IDE)

18. Nationalization of Local Conflicts in Africa: Simulation Analysis Based on Field Research

This three-year project focuses on a crucial process of armed conflict in East Africa: how local conflicts such as land disputes, which are widely observed—almost endemic—in the region, often turn into state-level massive violence such as civil wars. In order to obtain a deep understanding of this process, I

will collaborate with two researchers who have extensive field experiences in East Africa. Specifically, we conduct field research in several East African countries and derive an agent-based simulation model of civil conflict from the first-hand information collected in the field. In FY 2015, the first year of this project, a substantial amount of time was devoted to collecting and reviewing the relevant literature. We also conducted simulation analysis of the civil conflict and state collapse in Somalia. Moreover, we invited Professor Raymond S. Lumbuenamo from Democratic Republic of Congo, and shared his extensive experiences on wild life conservation and related local conflicts in the country with wider audience at an open seminar held at IDE-JETRO in February 2016. Lastly, one member of the research team went to Baringo East, Rift Valley in Kenya in March 2016 to collect data on land use and land disputes among pastoral communities there.

Principal Investigator: SAKAMOTO Takuto (JSPS Research Fellow)

Grant-in-Aid for Young Scientists (A)

1. Exporters' Benefits from Preference Use

In this project, I employed two approaches to empirically investigate the effects of free trade agreement (FTA) utilization on export prices. The first approach employed firm-level import data in Thailand to examine the effects of import firms' FTA utilization on their import prices. In the second approach, I employ global trade data at a tariff-line level and then explore how export prices change after FTA rates are available. Namely, in the former approach, although the analysis is restricted only to the case of Thailand, it could be rigorously conducted. On the other hand, in the latter approach, although we cannot identify whether or not trade in FTA-eligible products is actually conducted under FTA schemes, the analysis is conducted for a global sample. The works in FY2015 are as follows. For the study under the first approach, I already completed the analysis and submitted the resulting study to an academic journal. For the study under the second approach, I continue the analysis in order to obtain the more sophisticated estimates.

Principal Investigator: HAYAKAWA Kazunobu (Inter-disciplinary Studies Center, IDE)

Grant-in-Aid for Young Scientists (B)

1. 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 women's welfare in the marital household, and to develop related policy implications. Dowry is a practice prevalent in South Asian countries and is often broadcast sensationally in the media as if it were the root cause of violence against brides and dowry murders. Some argue that dowry leads to unequal treatment of girls in the household such as their malnutrition, infanticide, sex-selective abortion, and lower levels of education. Being alleged to be an evil practice, dowry is prohibited or restricted but is illegally practiced in South Asian countries. Existing empirical studies on the impact of dowry are not sufficient, partly due to the lack of data, while the sociological or anthropological studies are intensively accumulated. This research aims to empirically reveal the impact of dowry and to provide a foundation for discussion regarding effective policies to enhance women's welfare.

In 2015–2016, I presented the research paper at conferences in Japan and abroad. It is an empirical study using data from a rural household survey covering the entire Punjab in Pakistan that was completed in the year 2013. I rewrote the paper based on the productive comments given at the conferences and submitted to an academic journal. According to the empirical results that take endogeneity of dowry into account and control the financial level of households, a higher amount of dowry increases women's decision-making power and freedom of movement in the marital household, and decreases the son's preference concerning children's education and time spent on household chores. In the context of South Asia, where women do

not have inheritance and property rights in reality, dowry seems to complement institutions to protect women's rights. The empirical results imply that a universal ban on dowry might rather reduce women's welfare and that policies should be formulated with this unexpected consequence in mind.

Principal Investigator: MAKINO Momoe (Area Studies Center, IDE)

2. Comparative Studies on the Role of Parliament in Governance Improvement in Authoritarian Regimes: Case of the Gulf Monarchies

This project aims to examine the concept that improving the performance of parliament promotes governance improvements and contributes to the gradual promotion of democratization without regime change in authoritarian regimes that survive even after the "Arab Spring." In addition, this project attempts to develop a framework for analysis using an approach, namely, "governance," common to both democratic and authoritarian regimes. The analysis covers the Gulf monarchies, especially Kuwait and Bahrain, because both countries hold regular parliamentary elections and have active oppositions, although the Gulf monarchies tend to be considered autocratic monarchies.

In FY2015, the last year of this project, I summarized the outcomes of the field survey conducted last year in Kuwait that parliament members had led the political process to establish a new independent anti-corruption authority in Kuwait, and at last they overcame the government's resistance to granting the independence equivalent to the State Audit Bureau although it took a long time. I also made a presentation at the Japanese Political Science Association's annual convention, entitled "Does the political participation promote good governance in the rentier state? Role of legislature and judiciary for anti-corruption policy in the Arab Gulf state" under the framework of accountability in authoritarian regimes.

Principal Investigator: ISHIGURO Hirotake (Area Studies Center, IDE)

3. 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 firm survey 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 policy implications for investment promotion.

Principal Investigator: TANAKA Kiyoyasu (Overseas Research Fellow, IDE)

4. Empirical Analysis of Impacts of Women's Old-Age Concerns on Investment in Kinship Networks in Rural Tanzania

Based on original household data, this study empirically explores whether and how married women's old-age concerns (expected cost of old-age security) affect their social relationships with relatives (investment in kinship networks) in rural Tanzania. This research will provide policymakers with a prediction about how establishing social-protection programs in the developing world mitigates or enhances the impacts by changing social links and resource allocation within an extended family network.

Principal Investigator: KUDO Yuya (Development Studies Center, IDE)

5. Impact Evaluation of Decentralization in Indonesia through Natural Experiment

Indonesia implemented radical decentralization in 2001. The purpose of this project is to evaluate the impact of this decentralization on residents welfare as well as residents' responses to the performance of their local governments through voting. More specifically, in this research project, I will analyze (1) changes in the supply of public goods/services, such as the condition of roads and number of schools/healthcare centers, in districts using village-level panel data, (2) changes in the welfare level of residents measured by expenditure, income, and health status, etc., and (3) voting behaviors of residents observed in elections of local assemblies and direct district heads' elections (retrospective voting) as well as yardstick competition among local governments.

In 2015, the third year of the study, I collected information from sources such as the National Socio-economic Survey (SUSENAS), population census data (SP), village census data (PODES), and local governments' financial data. Subsequently, I have been constructing a village-level panel data using PODES and SP.

Principal Investigator: HIGASHIKATA Takayuki (Area Studies Center, IDE)

6. Latin America's Post-Transitional Justice in Comparative Perspective

One of the most controversial issues that emerged after the third wave of democratization in Latin America was whether or how to punish those responsible for the past human rights abuses under the authoritarian regimes. Transitional justice also focuses on how to construct public memories regarding the cruel past.

This fiscal year, I carried out a research trip to Buenos Aires and Mexico City in July and August. In Buenos Aires, I visited all five ex-clandestine detention centers including ESMA, the largest and the most notorious center that functioned through the last military regime. The Kirchner administration and the principal human rights organizations worked together to recover those facilities as "spaces for remembrance and human rights." They are engaged in promoting remembrance about the past tragedy by organizing events such as guided tours at ESMA.

Similar challenges can be seen in other Latin American nations such as Mexico. Recently the "68 memories museum" was inaugurated next to Tlatelolco plaza. This study tries to explain under what conditions advances in promoting remembrance can be made. Part of my research results has been published as an essay in *Ajiken World Trend* (in Japanese).

Principal Investigator: BABA Kaori (Area Studies Center, IDE)

7. Empirical Analysis of Media Control by the State: Case of Bihar, India

In recent years, the Indian media has been under enormous pressure from the state (both central and state governments), and this could distort its role as "the fourth pillar of democracy." This research project attempts to reveal that "media bullying" by the state government has been quite rampant in the state of Bihar after Nitish Kumar came to power in 2005, focusing especially on the hypothesis that the state government takes advantage of government advertisements as an important means of media control.

I conducted a series of interviews with local journalists and researchers in Bihar in 2015–2016, and found that there are three methods of media control used by the state government. First, the present government has a relatively natural cooperation with the media because it is dominated by upper castes, which had been suppressed under the previous regime. Second, the state government gives different kinds of bribes (including a Rajya Sabha seat) to journalists, editors, and media owners. Last but not least, newspapers are very reluctant to write something critical of the government and the Chief Minister because government advertisements are an important source of revenue for the media.

Principal Investigator: MINATO Kazuki (Area Studies Center, IDE)

8. Study on the Evaluation of Collective Ownership Reform in Rural China: Economic Analysis of Land Shareholding Cooperative System

Since the late 1990s, China has been suffered from *three rural problems* (*Sannong wenti*), that is to say low agricultural productivity due to small-scale farming, stagnation of the rural economy, and expanding income disparity between rural and urban residents. These problems are partly due to the inefficiency and biased profit distribution caused by the unique socialist public ownership system and insufficient market system. This study focus on one of the newly invented economic systems, called the land shareholding cooperative system (hereinafter LSHCS), which emerged through bottom-up trials to overcome the inefficiency caused by the collective land tenure system on the process towards becoming a market economy, aiming to clarify the features of LSHCS and to empirically evaluate its contribution to rural development, improvement of equity of income distribution, and efficiency of land utility.

In FY 2015, the first year of this project, the project conducted an intensive interview survey on business contents, land utility, and profit distribution system among farmers' cooperatives that enacted LSHCS in Hebei province. Also, a household survey about farming, income structure and non-agricultural job was implemented among participants. As a result of these surveys, first, it was found that the characteristics of the organizer of farmers' cooperatives have a certain influence on organizational objectives, governance structure, and business performance; second, the income gap among participants according to cooperative membership and by hierarchical membership is significantly large. In the coming fiscal year, the project will continue to conduct the data analysis and also plans to implement a further rural survey in other regions in China.

Principal Investigator: YAMADA Nanae (Inter-disciplinary Studies Center, IDE)

9. Costs Deviating from the Social Norm: Toward Enhancement of Female Labor Force Participation in Pakistan

This study aims to investigate the level of normative and structural barriers that prevent female labor force participation (FLFP) in Pakistan and to explore the factors that could lower them, and eventually to lead to policy implications enhancing FLFP. Pakistan's FLFP rate is the lowest among South Asian countries, which are notorious internationally for low FLFP rates. This study focuses on social norms, especially the level of purdah (i.e., practice of female segregation from non-relative males) and the costs of deviating from purdah. Violating purdah is considered a shame for the entire family. While women can maintain value as a bride in the marriage market by observing purdah, they lose income-generating opportunities. This study will conduct a unique household survey to collect data to measure (1) the level of purdah and (2) the costs of deviating from purdah and aims at empirically revealing the determinants of (1) and (2).

In 2015–2016, we selected the location of the household survey that will be conducted in the next fiscal year, and conducted a village-level survey on working opportunities and environment. To conduct the household survey, it is indispensable to choose a location with female working opportunities in factories while such opportunities are very limited in Pakistan where the majority of factory workers are males. We finally selected the district of Hafizabad, which is superior in offering a female-friendly working environment compared to Faisalabad, a premier textile city with absolutely more working opportunities. During the selection of the survey location, we came up with a question whether simply providing information concerning a female-friendly working environment and remuneration enhances FLFP. In future, we will explore the possibility of research using the randomized controlled trials (RCT). We also conducted a pilot survey to develop the survey questionnaire. The uniqueness of our questionnaire is to ask reservation wages by occupations. The pilot survey reveals that the questions related to reservation wages are difficult to answer. We devised a better way of asking these questions and finalized the questionnaire.

Principal Investigator: MAKINO Momoe (Area Studies Center, IDE)

10. Township Leaders and Village Chiefs in Contemporary China

The relationship between a township leader and a village chief in contemporary China is something of a political puzzle. Researchers have generally argued that China's bureaucratic system presents a very important political contracting framework. Within this framework, there is a strong relationship between the career of a cadre and performance of a contract that may include not only economic development but other aspects of political and social development. Past research argued that political contracting was applied to leadership positions at both the town and village levels, which makes comparable the "contractual" demands on township leaders and village chiefs.

Characteristics of the two positions, however, differ significantly, particularly with regards to their consequences in leadership performance and accountability. For instance, a cadre's career strongly depends on his or her performance as assessed by senior and high-level cadres. In contrast, one can only become a village chief through a village election. And once elected, a village chief cannot be dismissed by a township government unless the village chief is convicted of a crime. Furthermore, since a village chief is an elected leader, he or she does not necessarily have a clear and strong career plan akin to that of a cadre, who typically works and seeks to be promoted in the bureaucratic system. For these and other reasons, it is doubtful that the conventional political contracting model can adequately explain the complex relationships that exist today between township leaders and village chiefs in China.

My proposed research will address this issue by constructing a new framework to account for the complexities and subtleties that have emerged in the relationships between the two different types of leaders working in their respective spatio-organizational settings under conditions of rapid socioeconomic and political transformation.

Principal Investigator: REN Zhe (Overseas Research Fellow, IDE)

11. Regional Security and Conflict Management of Regional Organizations: Comparative Analysis of Asia and Africa

After the Cold War, regional organizations have been increasingly engaged in conflict management for regional security. This study aims to explain the difference in engagement frequency among regional organizations by looking at their respective policy-making processes.

Previous studies present several factors to explain engagement by regional organizations. First, it is argued that regional organizations become engaged in conflict management if conflicts have spillover effects. Second, domestic instability leads to such an engagement in response to a request from the government concerned. Third, whether regional organizations are engaged in conflict management depends on the security interests of the big-power member state. However, these studies pay little attention to conflicting interests among member states. It is important to trace the policy-making process of regional organizations on conflict management.

I explored how the member states make decisions on engagement by taking the examples of the Association of Southeast Asian Nations (ASEAN), Economic Community of West African States (ECOWAS), and Southern African Development Community (SADC). It was found out that veto power is respected in ASEAN, whereas some member states can lead the decision to be engaged in conflict management in the case of ECOWAS and SADC. It should be further explored why such policy-making mechanisms have been institutionalized and what factors affect such institutionalization.

Principal Investigator: SUZUKI Sanae (Area Studies Center, IDE)

12. Decolonizing the Colonial City: Social Changes in Yangon, Capital City of Myanmar, in the Mid-20th Century

This study aims at describing a peculiar historical process that Yangon, the largest city and ex-capital city of Myanmar, experienced during the period from the 1930s to the 1960s when Yangon transformed itself from a colonial city in the British Empire to the national capital of Myanmar.

The decolonization process of Yangon has importance when considering today's Myanmar. First, here we can observe an origin of the exclusive nationalism in combination with state institutions that has made Indian- and Chinese-origin residents be seen as "foreigners" or "secondary citizens." Second, this process made latent the extended international networks that characterized colonial Yangon in the past and which have apparently reemerged since the country's regime change in 2011. Third, the complicated land-tenure questions in present Yangon also emerged in the turmoil of this period, which saw the evacuation of the previous cosmopolitan population and their abrupt replacement with Burmese refugees from the civil-war-torn hinterlands.

As an historical study, this study can be located in the recent academic trend where many scholars focus on the decolonization process of cities in Asia, Latin America, and Africa. Those empirical studies examined the experience of specific cities in a wider context such as the transition of the global regime from imperialism to internationalism, the emergence of nation-states in ex-colonies, and the genesis of primate cities and serious housing problems.

Principal Investigator: OSADA Noriyuki (Area Studies Center, IDE)

13. Impact of Domestic Industrial Change to Entrepreneurial Activities

This study empirically investigates how an industrial change, such as the bankruptcy of a domestic giant, affects entrepreneurial activities using the case of Finland. This study is aimed at deriving new policy implications about entrepreneur policies.

As the first year of a four-year plan, FY 2015 was spent in preparation for the research activity such as reviewing prior studies and getting advice from scholars who did similar research in the past.

Principal Investigator: Byeongwoo Kang (Inter-disciplinary Studies Center, IDE)

14. Grassroots Labor NGOs and China's Social Movement

This research project focuses on China's labor NGOs, which work actively to support migrant laborers in their negotiations with managers or protests for their labor rights, and examines their social functions. Labor NGOs and other kinds of grassroots NGOs in China are new type of social organization that emerged in the end of the 1990s. Labor NGOs are run mainly by former laborers, with university graduate social workers, people in the press, and researchers. In this research project, the researcher will investigate each labor NGOs' history and activity and then clarify recent needs of Chinese migrant laborers, the emergency of the labor movement, and their interaction with civil society.

In this year, the organizer visited several labor NGOs in Guangzhou, Shenzhen, and Beijing which are the three main cities of labor NGO activity in China, and also visited an important labor NGO located in Hong Kong but which works for mainland China's laborers. As a result of these interviews and surveys, it is clear that most of the organized strikes that happened quite often mainly in Guangdong, were supervised by labor NGOs. However, the labor movement's legitimacy is not sufficiently guaranteed so the existence of labor NGOs and their activities still remain sensitive.

Principal Investigator: YAMAGUCHI Mami (Area Studies Center, IDE)

Grant-in-Aid for Research Activity Start-up

1. Federalism and the Limits of Presidential Authority: Legislative Behavior of Argentine and Brazilian Senators in Comparative Perspective

Focusing on the federal upper chamber, which represents the interests of subnational units, this research project aims at unpacking the influence of subnational politics over national executive–legislative relations. Existing studies on legislative politics fail to show this dynamic, since most of them deal with the lower chamber, which represents the interests of electorates. Analyzing the quantitative data on roll-call votes as well as the qualitative information on both the Argentine and the Brazilian Senates in a comparative perspective, I will develop a general theory that explains how senators react to bills initiated by the executive branch.

In the fiscal year 2015–2016, I collected the data on roll-call votes as in the previous year, as well as conducted interviews in Argentina and Brazil. These tasks allowed me to find that relationships between senators in Argentina differ from those in Brazil. Argentine governors may control their senators because of their influence over the career path of national legislators, whereas Brazilian governors may not control senators from their states due to differences in party affiliation stemming from a fragmented multiparty system. Moreover, senatorial committees use a unanimity rule in Argentina, while rapporteurs play a crucial role in committee decision-making in Brazil. I also found that the upper chambers in Argentina and Brazil share the common feature: autonomy of “important” senators such as former presidents and governors. Since they have consolidated a strong machine in their home states, they often cast a dissent vote against their parties on the floor. The next step for my study should be analyzing the roll-call data more in detail focusing on these differences and similarities in the upper chambers.

Principal Investigator: KIKUCHI Hirokazu (Area Studies Center, IDE)

Grant-in-Aid for Scientific Research on Innovative Areas

1. Locations of States and Economic Development

The purpose of this research is twofold. First, it aims to visualize locations of states using micro-geographical data. Specifically, it seeks to visualize states through roads, which is one of the most basic and indispensable state facilities among major public infrastructure such as hospitals, schools, government buildings, etc. Second, it attempts to quantify state locations using many spatial indices such as clustering and autocorrelation and to compute sectorial GRP (gross regional products) with remote sensing data in order to estimate relationships between locations and growth or narrowly defined economic developments.

In fiscal year 2015, a related paper titled “Shedding Light on the Shadow Economy: A Nighttime Light Approach” has been accepted for publication in *Journal of Development Studies*. In addition, a few other papers are being submitted to several academic journals. A book on state locations and economic development is also being written.

Principal Investigator: KEOLA Souknilanh (Inter-disciplinary Studies Center, IDE)

Grant-in-Aid for JSPS Fellows

1. Sustainability of Mobile Pastoralism and International Cooperation in Northeast Africa: Wide Regional Analysis with the Application of Information Technology

In this three-year project, I employ advanced computational methodologies to analyze the sustainability of mobile pastoralism in dry areas of Northeast Africa. Specifically, I analyzed satellite images to derive spatio-temporal information on pastoralist movements as well as on the surrounding environment. With these fine-grained data, I also conduct extensive simulations on pastoral mobility and land use in the region.

In FY 2015, the second year of this project, these plans were fully put into practice. Having stayed at ETH Zürich in the first half of the year, I utilized its vast computational resources, including the high-performance cluster called EULER, in conducting these analyses. I also actively participated in various conferences and workshops held in Europe to present my work. An example is a poster presentation titled “Nomadic Computation: A Spatio-Temporal Analysis of Sustainability of African Pastoralists” at the first International Conference on Computational Social Science in Helsinki, Finland in June 2015. Based on the extensive feedback I obtained on these occasions, I wrote two academic articles and eventually published them in two refereed journals. These are: Takuto Sakamoto, “Mobility and Sustainability: A Computational Model of African Pastoralists,” *Journal of Management and Sustainability*, 6(1): 59-75 (March 2016); and Takuto Sakamoto, “Computational Research on Mobile Pastoralism Using Agent-Based Modeling and Satellite Imagery,” *PLOS ONE*, 11(3) (March 2016).

Principal Investigator: SAKAMOTO Takuto (JSPS Research Fellow)

Scientific Literature

1. Power Sharing

This is a project to publish the result of ten years of study by the author as a book with financial support by Japan Society for the Promotion of Science (Kakenhi, Grant-in-Aid for Publication of Scientific Research Results, Scientific Literature). The title of the book is “Pawâ syearingu: taminzoku kokka Mareishia no keiken” (in Japanese; English title is *Power Sharing in Malaysia*) and it was published by the University of Tokyo Press on December 22, 2015.

The purpose of the book is to present theoretical hypotheses regarding the conditions that power-sharing regimes need to survive. For multiethnic power sharing to last, there are two requirements that must be met. First, the leader of the majority group’s party has to have incentives to cooperate with the minority group’s party. Second, the leader of the majority group’s party has to have ability to defuse intra-party objections to a compromise to minority groups. This book shows the hypotheses on the conditions of these two requirements to be met, as well as some empirical evidences obtained by a detailed case study of Malaysia’s political regime, which has been showing extraordinary stability as a power-sharing entity in a severely divided society.

Principal Investigator: NAKAMURA Masashi (Area Studies Center, IDE)