#### IDE's Goal, Research Mission, and Policy

#### I. Our Goal: Intellectual Contributions to the World

The IDE aims to make intellectual contributions to the world as a leading center of social-science research on developing areas. We accumulate locally-grounded knowledge on these areas, clarify the conditions and issues they are facing, and disseminate a better understanding of these areas both domestically and abroad. These activities provide an intellectual foundation to facilitate cooperation between Japan and the international community for addressing development issues.

# II. Our Three Pillars of Research Mission: Sustained Growth and Development, Poverty Reduction, and Peace and Security

The research mission of the IDE is to contribute to "sustained growth and development,", "poverty reduction," and "peace and security" in developing areas.

#### 1. Research contributing to sustained growth and development

Sustained growth and development refers to a situation in which the economy continues to grow on a stable basis while socio-economic institutions and structures change to ensure that people can live better lives. Well-balanced growth over a long period of time is indispensable to alleviate poverty and unemployment. Furthermore, there is now a greater need than ever to make growth compatible with the preservation of the global environment. The IDE, with a view to contributing to the sustained growth and development of developing areas, conduct research on economic activities, legal systems, human resources, environment, etc.

# 2. Research contributing to poverty reduction

Poverty reduction means reducing the number of people who cannot satisfy their minimum needs, improving their living standards, and promoting social justice by rectifying inequalities. In 2000, the United Nations established the Millennium Development Goals (MDGs), identifying specific goals in the field of poverty and hunger, education, gender, health care and the environment. The efforts toward poverty reduction represented by the MDGs are pressing tasks for us all. With his understanding, the IDE, in cooperation with the international community, is carrying out research on poverty issues in the developing areas.

#### 3. Research contributing to peace and security

Peace and security refers not only to a situation without armed conflicts, but also to ones where security is guaranteed and human rights are not violated at multiple levels, ranging from international to national, regional and individual. In order to consolidate peace and security in developing areas, it is necessary not only to settle conflicts that have already broken out, but also to improve political conditions so as to remove potential of conflicts. The IDE, from this perspective, carries out research on conflicts, ethnic and religious issues, as well as political systems, human security, etc.

#### III. Research Policy for FY2006

Based on the IDE's research mission and our understanding of the current world situation, we will focus on the following four themes in FY2006:

- 1. Regional integration in East Asia;
- 2. Production-distribution networks;
- 3. Labor market and social policy;

# 4. Political systems and regional stability

# 1. Regional integration in East Asia

The East Asian region has achieved *de facto* economic integration centered on cross-border production fragmentation, and a process of *de jure* integration has started based on Free Trade Agreements (FTAs). The IDE, identifying research on "regional integration in East Asia" as a priority project starting in FY2004, has promoted research on the possible impacts of regional integration, the institutionalization of regional cooperation, structural reforms in the region's countries, etc. In FY2006, we will study issues that have accompanied the progress of regional integration in East Asia, focusing on the negotiation process of FTAs, changes in industrial and trade patterns, the impacts of the rise of the Chinese economy, etc.

# [Related research projects]

East Asia's Integration and the Co-development of Each Economies;

Asian Regional Economic Integration from the Viewpoint of Spatial Economics;

Political Economy of FTAs: Institutional Change in Asian Countries;

Emergence of the Chinese Economy and Reorganization of the Asian Industrial Structure

#### 2. Production-distribution networks

In developing areas, especially in East Asia, transportation costs have decreased due to trade liberalization, improved infrastructures and other factors, and production-distribution networks are now in place, chiefly under the control of multinational corporations (MNCs). Further, the development of the Chinese economy and the growth of Asian enterprises have given impetus to the formation of the production-distribution networks, facilitating the emergence of a borderless economy in the region. In this context, the IDE will analyze the

dynamism of the networks primarily in East Asia, and improve trade data that is required for the analyses. As economic globalization changes the distribution of primary products and integrates rural communities in developing countries into the global market, we will also undertake research on primary products and the rural economy.

# [Related research projects]

The Global Network Economy and Logistics in East Asia: Issues and Prospects;

Chinese Enterprises: The Quest for Industrial Upgrading amid Transition;

Competitiveness of Korea's Major Industries: How They Adjust to Ever-changing Environment in the 21st Century;

The Flowchart Approach to the Formation of Industrial Clusters: Focusing on the Mechanism of Endogenous R&D and Innovation;

Institutional Building for Local Economic Development;

Compilation and Application of Trade Indices III: The Relation between Trade Price Indices and Other Trade Indices;

Latin American New Primary-goods Export Economy: Structure and Strategy; Changing Villagers' Economies in Developing Countries under Globalization; Economic Liberalization and Rural Livelihoods in Malawi

# 3. Labor market and social policy

As a priority has been placed on the improvement of the investment climate in the recent developing economies, policies have also been adopted to promote more flexible employment including the deregulation of protection rules for workers, without ensuring adequate safety nets for workers. Whereas the poverty reduction has become a global challenge, the creation of employment opportunities, which should be a core element of the effort, has not been fully addressed. In view of this situation, the IDE, while examining the labor and social security policies of developing countries, will explore poverty reduction measures from the viewpoint of employment creation and public services.

[Related research projects]

The Regional Development Strategy in Southwest China;

Vietnam's "State and Society" in the Doi Moi Period;

Globalization in South Asia: Its Impact on Employment and Labor;

Employment and Social Security in the Newly Industrialized Countries;

Poverty Reduction through Generating Employment Opportunities;

Health Service and Poverty: Making Health Service More Accessible to the Poor

# 4. Political systems and regional stability

Recent changes of global circumstances, such as the end of the Cold War, economic globalization and the rapid development of information and communication technologies, have had a great impact on world politics and have destabilized the politics of some developing countries, while creating a situation in which turmoil in one country can easily cross the border. In view of these circumstances, the IDE will analyze the political systems of countries in Asia, the Middle East and Africa, identify structural factors that generate instability as well as conditions for the consolidation of democracy, and discuss measures for achieving regional stability.

[Related research projects]

Elections and Developing Democracies in Asia;

Political Systems under Social Transformation in the Gulf and Arabian Oil Producing Countries;

Political Structures and Interrelations in the Contemporary Levant States;

Mobilization of Ethnic Minorities and International Relations: "Triadic Nexuses" in Kazakhstan:

Reconsidering Personal Rulership in Sub-Saharan Africa;

Post-conflict Challenges in Africa

# **IV. List of Research Projects**

#### <Priority Projects>

As the Mid-Term Objectives have given priority to "research directed toward economic development within the East Asian region," the IDE will undertake the following priority projects on "regional integration in East Asia."

East Asia's Integration and Co-development of Each Economies;

Asian Regional Economic Integration from the Viewpoint of Spatial Economics;

Political Economy of FTAs: Institutional Change in Asian Countries;

Emergence of the Chinese Economy and Reorganization of the Asian Industrial Structure

# <Major Project>

In the framework of the Major Project, the IDE undertake studies extending over years, including current analyses of political and economic affairs in Asian countries, macro economic projections, the maintenance of a database of trade statistics. Further, several research projects will be implemented to contribute to Japan's economic cooperation.

Analysis of Current Affairs in Asia;

Projections for the Asian Industrializing Region (PAIR X);

Compilation and Application of Trade Indices III: The Relation between Trade Price Indices and Other Trade Indices;

Research Project Contributing to Japan's Economic Cooperation;

China's Emergence as an Economic Giant and the World Economy;

The Global Network Economy and Logistics in East Asia: Issues and Prospects;

Myanmar at the Crossroads: Searching for New Initiatives in *Myanmar Issues* 

#### <Standby Research for Specific Development Issues>

In response to urgent social needs, issues of growing concern in relation to developing areas are analyzed in a flexible manner. The findings are communicated promptly using various channels.

Vietnam's New Socio-economic Development Strategies Towards 2010 (Research on other issues will be launched in due course within the fiscal year)

#### <Collaborative Research>

The IDE will implement collaborative research with other organizations in Japan such as universities, research institutions and local governments, capitalizing on the knowledge held by the respective institutions.

The Regional Development Strategy in Southwest China (collaborating with Yamaguchi University)

#### <Basic and Comprehensive Studies>

Basic and comprehensive studies are conducted on the economic, political and social issues facing developing areas.

#### Research contributing to sustained growth and development

Chinese Enterprises: The Quest for Industrial Upgrading amid Transition;

Competitiveness of Korea's Major Industries: How They Adjust to Ever-changing Environment in the 21st Century;

Latin American New Primary-goods Export Economy: Structure and Strategy;

The Flowchart Approach to the Formation of Industrial Clusters: Focusing on the Mechanism of Endogenous R&D and Innovation;

Institutional Building for Local Economic Development;

Development and Restructuring of the Iron and Steel Industry in Asian Countries:

Asian Capitals' Competition and Cooperation in China;

Comprehensive Study on Taiwan I: Growth and Transformation of Firms and Industries:

Trade and Investment Policy in the Philippines: Response to Economic Liberalization and Globalization:

Decentralization and Environmental Policies in Asia:

Recycling in Asia;

Law and Custom in Real Estate Transaction of Iran;

The IMF and Developing Countries;

Financial Markets and Money in Developing Countries;

Macroeconomic Implications of Imperfect Markets in Developing Countries;

Sustainable Governance for River Basins: A Review of Experiences in Japan and China toward International Cooperation;

Theories and Realities of Rural Development;

Theorizing Law and Development Issues

# **Research contributing to poverty reduction:**

Changing Villagers' Economies in Developing Countries under Globalization;

Economic Liberalization and Rural Livelihoods in Malawi:

Vietnam's "State and Society" in the Doi Moi Period;

Globalization in South Asia: its Impact on Employment and Labor;

Employment and Social Security in the Newly Industrialized Countries;

Poverty Reduction through Generating Employment Opportunities;

Health Service and Poverty: Making Health Service More Accessible to the Poor:

New Issues around Development Studies and Social-Welfare Studies;

Social Movements and Popular Political Participation in Developing Countries

Educational Development in a Mexican Indigenous People's Region: A Case of

Mixe. Oaxaca

# Research contributing to peace and security:

Elections and Developing Democracies in Asia;

Political Systems under Social Transformation in the Gulf and Arabian Oil Producing Countries;

Political Structures and Interrelations in the Contemporary Levant States;

Mobilization of Ethnic Minorities and International Relations: "Triadic Nexuses" in Kazakhstan;

Reconsidering Personal Rulership in Sub-Saharan Africa;

Post-conflict Challenges in Africa;

Challenge to Political Stabilization in China: Risk Factors and Political System;

Thailand in an Era of Reforms: Political and Administrative Reforms since 1997 to the Thaksin Administration:

International Relations of Afghanistan and its Neighboring Countries Regional Integration Theories and East Asia