

Course Description (October 2009 - September 2010)

Courses on Japanese and/or Asian Economy

Fall Term

Demand Management: Fiscal and Monetary Policies **Instructor: Nobuyuki Sato**

Fiscal and monetary policies are indispensable for managing the sound development of the national economy. Nevertheless, such policies must be adaptable to changing economic and socio-economic conditions. This course focuses on the cases of Japan. For example, aging of the population is progressing at a faster rate in Japan than in other developed countries. The population recently started to decline due to the falling fertility rate. Japanese public finance faces increasing burdens of social security. One of the biggest issues in Japan is sustainable public finance. The course reviews the mechanisms, history, and recent developments/issues in Japanese fiscal and monetary policy. Comparisons with other countries are also covered.

Small and Medium Enterprise and Technology **Instructor: Hisayoshi Hashimoto**

In the post-war period, the modernization of Small and Medium Enterprises (henceforth "SMEs") became one of the priority areas, and a wide range of multi-faceted policies was developed.

This course examines the historical evolution of Japanese SME policy (as well as other select countries) and examines the applicability of policies in relation to each country.

Some lectures will be given by government officials, presidents of small companies, and researchers of Asian SMEs, etc.

You can learn about the power and dynamism of SMEs and understand the role of policy in developing sound SMEs worldwide.

Winter Term

Contemporary Japanese Economy **Instructor: Akira Kojima**

In "Contemporary Japanese Economy," we discuss the Japanese economy from circa 1970 to the present, focusing in particular, on the late 1980's bubble economy and the long, hard adjustment period that continues to this day.

Japan's economy, as well as its society, has been under strong adjustment pressures within the ever more globalized economic climate, changing demographic conditions, technological paradigm shifts, and so on. Why has Japan undergone what is often described as *Japan's Lost Decade*? What are the lessons? How has today's global financial and economic crisis affected Japan? How were macro and micro economic policies, BOJ zero interest, and so-called quantitative easing policy introduced? What happened to employment practices and business management? How is Japan attempting to find a new approach to East Asian integration and FTAs (EPA)?

The class can also emphasize issues of strong and shared interest (of the students). Active face-to-face participation in discussions is expected.

Japanese Development Cooperation **Instructor: Takamasa Akiyama**

International development assistance has been undergoing significant changes over the last several years. Development communities have seen an increased emphasis on policies, institutions, and issues of poverty reduction, governance, and coordination between donors and NGOs. Ever since 9/11, international security issues have also attracted much attention in the context of development assistance. Japan's ODA has also changed. The amount of ODA spending has been reduced, and its 1990s position as world leader in ODA has slipped to fifth place. In October 2008, the new JICA was created, now which handling loans and grants in addition to technical assistance. Some changes have been in conjunction with global trends, and there are also

other changes designed to meet challenges for improvement required under the stringent domestic financial situation, and called for by the public. The course will examine the changes/trends/issues in the thinking, approaches, and provision of Japanese ODA, both globally and domestically with “dynamic world development assistance evolution.” In addition, through discussions, the class will explore ways to improve Japanese and global ODA. About half the lectures will be given by outside experts.

Japanese Financial System Instructor: James Rhodes

This course examines the postwar evolution of the Japanese financial system (JFS) from the perspectives of economic history, modern political economy, and comparative economic systems. The focus is the Japanese system of macroeconomic and financial regulation. The fundamental question addressed is the (apparent) success of the JFS in the highly regulated early periods and its floundering in the post-liberalization era.

Spring Term

Japanese Economy Instructor: Yoichi Okita

This course covers discussions on post-war and contemporary issues of the Japanese economy, such as the causes of rapid growth in the 1950s and 60s; the Japanese model of corporate governance, corporate finance, and employment; and the reasons for the stagnation of the economy in the 1990s. Some discussions on the role of government in the post-war economic development in Japan will also be covered.

Economic Development of Japan Instructor: Kenichi Ohno

This course reviews the history of Japanese economic development with particular attention to the following questions:

1. Why did Japan succeed in industrialization, as the first non-Western latecomer in the late 19th century? What initial conditions facilitated it?
2. Interaction of external influences and domestic capability in the industrialization process
3. Interaction of economic and political/social factors
4. How did the private sector respond to new challenges?
5. How did the government support industrialization? What mistakes were made?

Economic and Fiscal Reform in Japan Instructor: Hiroko Ota

In this course, we will cover issues and problems in formulating economic policy and reforming public finance in Japan. To achieve sustainable growth amid population decline, both sound economic growth strategy and fiscal reform are indispensable. These can be compared to the two wheels of a cart, in the sense that both must function simultaneously. In the first segment, we will discuss the current situation and major weaknesses in Japan's economy, and consider adequate policies for overcoming them. In the second segment, we will discuss the characteristics of Japan's fiscal situation and fiscal policy reforms that were recently implemented, then consider issues that lie ahead. Structural reform of expenditures, such as social welfare, public works, and the governmental loan program, are especially important issues in public finance. Learning about Japanese experiences in these areas may be of value to other countries. Students will be encouraged to discuss and analyze issues/problems in their home countries.

Modernization of Financial Sector Instructor: Shinichi Yoshikuni

This course aims to provide participants with the basic knowledge and expertise regarding the functions of the financial sector and thereby promote a basic understanding of prudent macro and micro policies. The course will cover broad topics in central banking, exchange rates and reserve management policies, and the international policy co-operation in the context of the so-called Basel Process. In particular, students are encouraged to acquire insight into the implications of the recent global financial crisis and its impact on financial institutions. In addition, the Japanese experience since the late 1980s will be reviewed, with special emphasis on lessons

learned from quantitative easing and crisis management in the financial sector. Following the good tradition of active student participation, group/individual presentations and discussions will be scheduled. Special sessions may be organized, e.g., field visits to and special speakers from financial institutions/regulatory authorities (including the Bank of Japan), depending on the students' respective interests. Various papers and articles will be utilized as guides for individual classes. The BIS and IMF Annual Reports, as well as Frederic S. Mishkin's 'Economics of Money, Banking and Financial Markets' are utilized as general reference textbooks.

Seminar in Industry and Trade Policy Instructor: Masami Tanaka

In the last two decades, globalization and new technological advances in IT have changed the roles of government dramatically. Aggressively industrializing nations fell from favor and more attention is now being paid to more market-oriented economic systems. Since the autumn of 2008, however, the global economy has been facing unprecedented turmoil and recession, triggered by the financial crisis. Government programs for stabilizing industries such as cars and SMEs have become increasingly popular. It means a decade of deregulation and privatization has resulted in undesirable economic performance, dependent on too much freedom and people have realized that the "invisible hand" may create insecurity, inequality, and excessive focus on short-term results. Recently, reevaluation of market supremacy, as well as efforts to establish the more robust scheme of world financial schemes, may yield rediscovery of a significant role for market-friendly interventionist strategies in rectifying market failures and securing long-term economic development. Revitalizing troubled industries, along with the creation of new industrial streams such as environment and energy related sectors, namely industrial policy, have become vital in the recent global economy. Several newly advanced theories in fields such as corporations, industrial organization, and developmental economics, shed light on these issues and provide an interesting analytical framework for topics in industrial policy. Understanding the pros and cons gives policy makers insight necessary for assessing market efficiency and industrial competitiveness, and aids them in policy formulation. This course attempts to offer knowledge on government industrial policies; in particular, on concrete cases by shedding light from economic theories. It also aims at understanding characteristics of each industrial sector and their histories, in particular Japanese industry. The course will consist mainly of lectures and class discussions.

Agricultural Economics Instructor: Yonosuke Hara

This course provides an overview of agricultural economics, through focus on market theory of agricultural commodities and agricultural development theories. It will provide the basic theoretical framework for discussing agricultural policies of developing countries, as well as developed countries.

Courses on Japanese and/or Asian Politics

Fall Term

Government and Politics in Japan Instructor: Mikitaka Masuyama

Why do people vote the way they do? Why do politicians behave the way they do? Why do political organizations operate the way they do? A growing number of political scientists are attempting to answer these and other questions within an integrated intellectual framework known as rational choice, which assumes that individuals have certain goals, and that they strive to satisfy those goals in the most efficient manner possible. This course covers an overview of Japanese politics, along with themes and works of interest to political scientists. In particular, this course explores how Japanese politics works from three perspectives: (1) voters; (2) politicians; and (3) political organizations, with a special emphasis on insights from rational choice models of political behavior.

Government and Politics in Southeast Asia Instructor: Patricio N Abinales

This course focuses on state formation, economic development, and state-and-civil society relations in Southeast

Asia, from the late colonial period to the present. It examines colonial legacies that shaped these states, and the economic, social, and political tensions they underwent in the post-colonial period. It also examines why certain states were able to develop while others failed. The lectures will be theme-based, but students are expected to scrutinize the political histories of two different countries for their research reports.

Local Government System Instructor: Akira Nakamura

One of the major thrusts of this course is to provide a general contour of local government and politics in Japan. The class will start off with the historical background of Japanese politics and public administration. This is followed by a brief elaboration on the underpinnings of Japanese public management. Based on these general analyses, the class will then focus on local system of government. It will delineate a number of theoretical issues, in addition to practical policy problems. The class will particularly stress city and urban development as a focal point to help understand the complexity of center local interface in the country. In the class, comparative analysis is highly valued. Students are therefore encouraged to contribute to the class discussion by bringing out the similar examples or cases of the country they are from. Likewise, the class stresses writings on various topics of significance.

Local Government Finance Instructor: Shunsuke Kimura

This course is intended to introduce the system and the practice of local government finance in Japan. Starting in mid-1990s, decentralization reform in Japan has achieved its first stage, where one of the main results is the transfer of tax resources from the central to local governments. In this course, after taking a view of the outline of the system and the current situation of local government finance, we will focus on several components of local revenue and expenditure in detail. We will also study some other issues related to the decentralization reform.

Spring Term

Structure and Process of Government Instructor: Masahiro Horie

This course is intended for study of structural and procedural systems and operations of governments, from comparative viewpoints, and to contribute to governmental reform and public administration. Major issues of administrative reform will be discussed, from theoretical as well as practical viewpoints. With a fundamental focus on the comparative analysis framework formulated by C. Pollitt and G. Bouckert, key features of government and public administration (which have much to do with the process and content of administrative reform) will be discussed in the course. While Japanese cases will be dealt with in detail, based on academic works and practical experiences of the instructor, students are also expected to contribute to the discussion by infusing their first-hand information and analysis on the topics of discussion.

Local Governance in the Changing World Instructor: Hiroshi Ikawa

In accordance with the changes in social and economic circumstances, enhancement of domestic governance is sought, and in Japan and in many other countries the challenge has been to promote decentralization and advancements in local governance. Reflecting such a circumstance, this lecture series will cover the present state and challenges of local government and the situation of decentralization in a number of countries worldwide (four to five countries), as well as study the challenges of local governance in Japan. During this lecture series, I am planning to invite experts (lecturers) from outside GRIPS, and the lecturer will speak about one theme (country) in two classes, apart from classes by GRIPS faculty.

Courses on International Relations related to Japan or Asia

Winter Term

Japan's Strategic Environment: Historical perspectives Instructor: Shotaro Oshima

This course is an overview of Japan's Strategic Environment, taking a historical perspective. While it is important to go back in time and start from the opening of Japan and the ensuing Meiji Restoration period, we will nevertheless be realistic and begin from the post-WW2 period and follow various wars in the East Eurasia - Western Pacific region*, including the Cold War and its regional manifestations, all of which affected Japan's strategic environment. (* NB the distinction from the usual reference to the "East Asia".)

Obviously, the situation in the region will be put in the context of global strategic relations. Some two decades ago, the end to the Cold War resulted in an important epochal break in global strategic balance, which inevitably affected the region. This changing situation will be our focus. In the final sessions, we will examine the strategic challenges facing Japan today.

Spring Term

International Security Studies Instructor: Narushige Michishita

This course is designed to give students an understanding of security issues, both in theory and practice. Major subjects of this course include: international relations theories; civil-military relations; force and diplomacy; intelligence; nuclear issues; and assessment of military balance. In investigating these subjects, historical and current security issues concerning Japan and Korea will be discussed extensively. In this sense, this course can be characterized as a combination course on strategic studies and Asian studies.

Others

Fall Term

National Land Policy Instructor: Surya Raj Acharya

Economic activities are unevenly distributed over a nation's land area. As a country develops, economic activities tend to concentrate in certain areas, which may have important implications for both efficiency and equity. This course aims to enable students in understanding the underlying mechanisms in diverse patterns of spatial development at the national and regional level, and in answering questions on associated policy issues. The course first introduces relevant theoretical concepts. Next, cases of spatial development plan and policy (national land development policy) in Japan and elsewhere are reviewed. Finally, recent trends in spatial development policy are discussed, along with possible lessons for developing countries. There is no specific prerequisite for this course.

Managing Cultural Diversity Instructor: Noriko Aikawa

"Cultural Diversity" has been one of the most frequently discussed themes from the outset of the 21st century. It is partly for fear of cultural standardization in the era of globalization, and partly because of increased conflicts between ethnic groups or newly independent small nations following the end of the Cold war. The debate concerns the management of cultural diversity to avoid triggering conflicts. UNESCO (United Nations Educational, Scientific, and Cultural Organization) has been tackling this issue since the 1990s. The World Commission on Culture and Development, (UNESCO) published a report entitled "Our Creative Diversity" (1996). The organization published two World Cultural Reports that were extensively covered "Cultural Diversity" (1998, 2000)¥¥. In 2001, the UNESCO Universal Declaration on Cultural Diversity was adopted proclaiming that "Cultural Diversity" is as necessary for humankind as bio-diversity is for nature and is, therefore, 'the common heritage of humanity'. It also affirms that the 'defence of cultural diversity is an ethical imperative inseparable from respect for human dignity,' and that respect for "Cultural Diversity" in conjunction with its corollary dialogue between cultures guarantees international peace and security. In addition, it asserts that "Cultural Diversity" is a driving force of development, not only in respect of economic growth, but also as a means of leading a more fulfilling intellectual, emotional, moral and spiritual life by providing a wide range of options to everyone." UNESCO Member States adopted the "Convention on the Protection and Promotion of the Diversity of Cultural

Expressions” in 2005, to counter the liberalization of cultural goods and services in the international market. The “World Report on Cultural Diversity” was published. The purposes of the Report are to: i) analyze cultural diversity in all its aspects; ii) show the importance of cultural diversity in different areas such as language, education, communication, and creativity; iii) convince decision-makers of the importance of investing in cultural diversity as a prerequisite for the exercising of universally-recognized human rights and freedoms, which can serve to reinforce social cohesion and democratic governance. The declaration, as well as the World Report, thus examine “Cultural Diversity” its diverse facets. This course will also cover the concept of “Cultural Diversity” from a broader perspective, taking the declaration and World Report as reference documents, then attempt to seek for suitable policies that may applied to managing “Cultural Diversity.”

Winter Term

Education Policy Instructor: Kaoru Okamoto

The objective of this course is threefold : to provide students with (i) an outline and basic information on educational policies/practices in Japan (including (a) historical developments, (b) cultural background/impacts, and (c) current challenges/obstacles); (ii) opportunities for the mutual exchange of information on education in each country; and (iii) practical methods and experiences for analyzing relevant policies. The course is composed of instructor lectures and student presentations.

Spring Term

National Development and Institution for Transportation Infrastructure

Instructor: Shigeru Morichi

The main purposes of the National Development Plan and Infrastructure Plan are economic growth, quality of life improvement, and sustainability for the environment; however, under various constraints in feasibility, the contents of development strategy have to transfer at each stage of economical growth. This class covers the Japanese experience on the National Development Plan, investment in transportation infrastructure, transition of the Bullet Train Project, and the Urban Transportation Project. Every developed country has designed financial institutions and organizations to realize these goals. The difference in these institutions for transportation infrastructure in Japan, the USA, and Europe are identified and discussed. Students should analyze one mode in their home country and propose policies for their improvement.

Development and Culture Instructor: Noriko Aikawa

Today, the “the crucial role of culture for a successful development” concept is widely recognized among economists, multilateral development agencies (such as UNDP and World Bank), and bilateral Development agencies (such as US aids, SIDA, DANIDA, FINIDA, etc.). This course will cover the evolution of the developmental concept, notably “development’s cultural turn” which is the paradigm shift that occurred in 1990s following the failure of many development programs that aimed solely at economic growth. The final goal of development has been re-assessed, aiming at a more satisfactory intellectual, emotional, moral and spiritual existence in addition to the economic growth. Moreover, the accelerating globalization process fostered the development of cultural industries. Today, no one can deny that culture contributes to economic growth. Recent statistics show that Cultural Industries accounted for over 7% of World Domestic Product. These cultural industries include music, books, crafts, films, video games, TV programs, copyrights, advertising services, and other cultural goods and services. In the United States, the production and export of cultural products represents one of the largest export sectors. UNESCO (the only organization with a mandate in the cultural field within the UN system), was the pioneer in appealing to the international community to integrate the cultural dimension in development programs since the World Conference on Cultural Policy held in Mexico in 1982. It has become evident that development strategies need to encompass cultural factors specific to each beneficiary community, region, and country. The organization launched the UN World Decade for Cultural Development (1987 - 1997)

and played a leading role within the UN system during this period. In 1992, the World Commission for Culture and Development was established. It published the Our Creative Diversity report in 1995, and organized the World Conference on Cultural Policy for Development in 1998. This course will study two reports: Our Creative Diversity' (1995) and Recognizing Culture: A series of briefing papers on Culture and Development (2001). Each student will give a presentation regarding how his home government (beneficiary of or donor for development) has been applying cultural approaches to development programs, with reference to the different issues discussed in the UNESCO Our Creative Diversity report and "Recognizing Culture."