



# Information Bulletin of The Union of National Economic Associations in Japan

# 日本経済学会連合

1992

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# THE UNION OF NATIONAL ECONOMIC ASSOCIATIONS IN JAPAN

## 日本経済学会連合

The Union of National Economic Associations in Japan, established in 1950, celebrated its 40th anniversary in 1990, as the sole nationwide federation of associations of scholars and experts on economics, commerce, and business administration. In order to obtain membership an association is subject to an examination of its academic work. As of 1991, the Union had a membership of 43 associations, as listed on pp. 49-63. Inclusion of one recent entrant to the Union brings the total membership for 1992 to 44 associations (the name of this new member is given on p. 64).

The aims and objectives of the Union are to support the scholarly activities of its member associations and to promote academic exchanges both among members themselves, and between Japanese and academic societies overseas. The main activities of the Union are: (1) the publication and distribution of academic material concerning Japanese economics and papers presented by member scholars, (2) the sending of members to overseas conferences, (3) the holding and supporting of international conferences in Japan, (4) providing financial assistance to member associations who invite foreign scholars to Japans, and (5) collecting information on activities of member associations and the issuing of a news bulletin.

The Union published in 1974 KEIZAIGAKU NO DOKO (The Trend in Japanese Economics), based on a survey of economic studies undertaken in postwar Japan. The Supplementary volume covering Japanese economic studies after 1974 was published in 1982.

The Union and the International Economic Association (IEA) jointly held the Fifth World Congress of the IEA in Tokyo from August 29 to September 3, 1978. The Union joined the International Institute of Public Finance in holding the Institute's 37th Congress at Tokyo in September 1981. The Union dispatched 20 member scholars to the Eighth World Congress of IEA held in India in 1986. Most recently the Union successfully sponsored the IEA Tokyo Round Table Conference on "Institutions in a New Dynamic Society" held between 15 and 17 September 1987.

The Union celebrated in 1980 the 30th anniversary of its founding by launching a variety of activities, including the publication of The Information Bulletin. From Vol. 1 to Vol. 11, editorial advice was given by Mrs. E.O.A. Checkland in Cambridge, UK. We would like to take this opportunity to thank

her most sincerely for her invaluable help over the years. Prof. Paul Snowden of Waseda University has kindly agreed to take over the task.

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#### THE AGRICULTURAL ECONOMICS SOCIETY OF JAPAN

1. History and Outlook of the Society

The Agricultural Economics Society of Japan (AESJ) was founded on November 19, 1924. The purpose of the Society is eloquently described in the prospectus as follows: "The Agricultural Economics Society of Japan aspires to study all problems related to agriculture and rural societies. Regardless of how such problems are approached—from agricultural management, agricultural policy, agricultural statistics, agricultural history or other theories or applications regarding agricultural economics—the Society has a sincere desire to accomplish its purposes."

AESJ has steadily conducted its activities for 68 years since its foundation, and has published, on a quarterly basis, 64 volumes of *The Journal of Rural Economics*.

The focal point of the Society's activities is the annual convention held at the beginning of April every year. The convention lasts for two days. A symposium on common issues is held on the first day, and on the second day individual presentations are made by Society members.

The Society's board of directors chooses the symposium theme and nominates the chairperson, who then nominates several reporters and commentators. For the individual presentations, every year sixty to eighty reporters are grouped into five to seven concurrent sessions where they make their presentations, followed by question and answer sessions.

The society is made up of 1,200 members under a president and three vice presidents (both with a tenure of two years), with a board of managing directors and a board of trustees to manage the affairs of the Society.

AESJ has an award system under which it grants Academic Awards, Incentive Awards, and Best Journal Article Awards.

#### 2. The 21st International Conference of Agricultural Economists

In August 1991, the 21st International Conference of Agricultural Economists (ICAE) was held in Japan as the most important event in the history of AESJ. The conference, with a long history of 60 years, is held every three years around the five continents, and the Tokyo conference was the first in East Asia. The main theme of the Tokyo conference was Sustainable Agricultural Development: The Role of International Cooperation, and eloquent presentation of the outlook for agriculture and farm villages in the 21st century.

At the Society's annual convention in April 1987, the decision was made to

hold the 21st ICAE in Japan. In December of the same year, the Japan organizing committee was set up around AESJ in cooperation with related academic societies, and the preparations for the ICAE commenced. In March 1989, it was approved by the government that the ICAE would be jointly held by AESJ and the Science Council of Japan.

The ICAE conference was held for 8 days from August 22 to 29, 1991, at the Keio Plaza Hotel in Shinjuku, Tokyo and the adjoining Kogakuin University. Including the pre-conference tour (2 courses) and post-conference tour (4 courses), the conference lasted for a total of 18 days.

Registered attendance at the conference reached 1,588 from 61 countries and regions (732 from overseas, 856 from Japan), and if the 100 or so guests are included, total attendance exceeded 1,600, the highest attendance recorded in the history of the ICAE. It was nearly twice as much as the previous highest attendance of 823 recorded at the 19th conference held in Malaga in Spain in 1985.

The conference started with an opening ceremony and commemorative speech. A plenary session was held every day based on seven separate themes closely related to the main theme, followed by invited speakers' sessions at two venues to promote better understanding. Other contributed papers were presented in the afternoon sessions. In the evening, group discussions were held in 32 halls, in addition to poster sessions, which had 135 entries.

A special session on agriculture in Japan was organized, at which representatives of AESJ presented their reports. The session helped to deepen understanding of agriculture and the structural characteristics of farm villages in Japan.

Part of the official events involved field trips along six routes in the environs of Tokyo on the first day of the conference, and overseas participants had the chance to come into contact with the realities of agriculture and farm villages in Japan. An AESJ convention was also held that day and 83 reports were presented. The convention was officially positioned as an ICAE "country meeting."

Furthermore, mini symposiums were held in major regional cities during the pre- and post-conference tours, based on themes related to the characteristics of the agriculture in each region. Through a variety of companion programs, overseas participants were able to deepen their understanding of traditional Japanese culture as well as agriculture and farm villages in Japan.

3. Major Topics Discussed in Recent Annual Symposiums

1990 Symposium

The symposium in 1990, entitled Rice Production in Asia and International

Markets, was held as a pre-conference symposium for the 21st ICAE. It was the first international symposium planned and held by AESJ. The problems of rice in Asia were chosen as the main theme for the symposium, taking into consideration the hot discussions in GATT on agricultural trade.

Five speakers were invited from five major rice growing countries in Asia: Japan, Korea, China, Thailand and Indonesia. They were all top experts on rice problems in their own countries. The symposium focused upon the production of rice, together with its price and distribution issues.

The symposium was co-chaired by Toshio MATSUDA (Tokyo University of Agriculture), Teizo HIGUCHI (Tsukuba University), and Akimi FUJIMOTO (Tokyo University of Agriculture). The opening speech by Isoshi KAJII (Tokyo Institute of Agriculture and Technology; then the president of AESJ) was followed by an introduction by T. MATSUDA representing the chairpersons.

The first speaker was LIU Zhi-ren (the Center for Rural Development, the State Council, China), whose presentation on production and consumption of rice in China was a valuable contribution to the research in this field, full of highly valuable data. He discussed the trend in rice production and demand in China. The topics that drew special attention of the audience were: the conversion of paddy fields into non-farm uses under the policies toward industrialization; consumers' preference for high-quality rice; and the use of rice as a feed grain. The second topic was of a special interest, since it became an issue before China reaches the stage of rice self-sufficiency.

The comment by Keijuro NAGATA (Nagoya University) emphasized the Asian way of rice-growing as an important viewpoint, and raised questions as to possible changes in cooperation among farmers in rice cultivation vis-a-vis the shift from cooperative farming to family farming.

The second speaker was Sri WIDODO (Gadjah Mada University, Indonesia). He showed clearly the Indonesian process of attaining the policy goal of rice self-sufficiency, using two key words; the five-year plans in the past and the green-revolution technology. He suggested that Indonesia was coming to face a decline in rice demand due to the declining **t**rend in income elasticity for rice.

The comments made by Yoshitaka MASUDA (Obihiro University) were centered around the changes in rice-price policy toward the protection of consumers under self-sufficiency and its possible influences on domestic production.

The third speaker, CHU Jong-Hang (Dong-Kuk University, Korea), first outlined the historical role of rice farming in Korea, and then expounded the recent situation where the rice industry was facing industrial adjustment caused by rapid economic growth. He pointed out that the critical situation the Korean rice economy is facing is essentially the same as in Japan. He also argued the political significance of the liberalization of rice imports from the viewpoint of national security.

Based on the comparison of structures of rice economies between Japan and Korea, Kenji CHO (Kyushu University), the commentator to the third speaker, criticized the evolutionary understanding of Asian rice economies in which Japan is recognized as an advanced model.

The fourth speaker was Kanpole ADULAVIDHAYA (Kasessart University, Thailand). He discussed the process of technological advances in Thai rice farming, looking into the issues of yield instability, production inefficiency, and poor efficiency in the rice distribution system due to inadequate market infrastructure.

The commentator, Hiroshi TSUJII (Kyoto University) pointed out that the problems that Thailand faces as the largest exporter of rice in the world stem in large part from its domestic rice policies.

The last speaker was Naraomi IMAMURA (The University of Tokyo), who titled his presentation "Fundamental Problems Surrounding the Rice Economy in Japan," and pointed out various contradictions due to the Staple Food Control System. He argued that the price of rice in Japan would inevitably move down toward the market equilibrium level, should the critical situation in the present production quota policy be taken into consideration.

The commentator, Toshiaki KITADE (Meiji University), insisted that what is important in the rice adjustment policy is not to suppress its production, as practiced at present, but the maintenance and development of its productive power through higher utilization of paddy fields.

To conclude the symposium, the chairpersons stated that the major concerns in Asian rice farming would shift from production-related issues, to demandrelated problems. They quoted a statement by LIU, the first speaker of the symposium, that "many unexpected changes occurred in the consumption aspects of rice economy."

## 1992 Symposium

The symposium in 1992 was on Institutional Reforms Required for the Survival of Japanese Agriculture. It was chaired by Fumio EGAITSU (The University of Tokyo). The choice of the theme reflected the critical situation surrounding Japanese agriculture in the 1990s.

The chairperson summarized the causes of the critical situation as: (1) Lack of confidence in the future of domestic farming; (2) Out-of-date institutional framework; and (3) Lack of social overhead capital in rural areas. He proposed that these are the major obstacles which have been badly restricting the number of young successors in Japanese agriculture. He then emphasized the necessity of domestic institutional reforms in order to remove obstacles and restrictions.

In response to this proposal of institutional reforms, three speakers presented their basic ideas on the directions of necessary changes with respect to three major pillars of Japanese agriculture, i.e., the Farm Land System, the Staple Food Control System, and the Land Improvement System, based on an analysis of the present situation.

The first speaker, Takashi TAKEBE (Kyoto University), discussed the problems of the present regulations on farmland, represented by the Farm Land Act, in relation to the foreseeable development in the organizational forms of agricultural operations. He specified six different types of organizational forms (legal entities), and explained how present regulations restrict their possibilities.

The commentator, Yoshio ITO (Shinshu University), tried to make clear the characteristics of each type of organization in relation to the farmland legislation.

The second speaker, Masahiro MATSUSHIMA (Osaka City University), discussed the problems concerning the Staple Food Control System. He pointed out; (1) the major concern of consumers now is not to reduce the level of the price but how to stabilize its fluctuations, and (2) the idea that the producers' price should be determined to guarantee the production of rice by farmers is out-of-date since the rice economy has been facing huge surpluses for quite a long time.

Shoji INUZUKA (Meijo University) commented on the concept presented of how to determine the support price of rice, and then discussed the feasibility of proposed reforms and the relationship between structural policy and rice price policy.

The third speaker, Nobuhiro TSUBOI (National Research Center for Agriculture), discussed the reforms of the Land Improvement System. He pointed out that the changes in agrarian structure, rural communities and civil engineering technologies have brought about various difficulties in the implementation of land improvement projects. According to his view, these changes undermined the Land Improvement Act and drastic reforms in it are strongly needed in order to meet the new needs under the new situation. He advanced his idea of instituting a comprehensive "Rural Infrastructure & Development Tax" and other new machinery to take the place of outdated legislation.

In his comment, Tokuzo SAITO (Ehime University) expressed his support for the basic view of the speaker, and then discussed in detail differences between "new machinery" and the old.

Finally, Hidesuke HINODE (Ministry of Agriculture, Forestry, and Fisheries) presented his opinions from the viewpoint of policy makers. He appreciated the relevance of the focal points discussed in the symposium. Then, he expressed his doubt about the idea of an "agriculture-specific legal entity" proposed by the first speaker. He supported the presentation by MATSUSHIMA,

referring to several important points he found in it. He agreed with TSUBOI's basic points on the reform of the Land Improvement System, but some of them, he pointed out, have already been attained through revisions made for the Land Improvement Act in 1972, 84, 86 and 91.

#### 1993 Symposium

The coming symposium in 1993 is planned to take up the issue of young farmer successors, under the chairmanship of Yoshio ITO (Niigata University). It is quite clear that this theme is closely related to the symposium in 1992. Lack of young successors is the most serious factor which endangers the survival of Japanese farming and rural communities, and calls definitely for drastic institutional reforms.

#### 4. Issues AESJ is Facing

As indicated by the 21st ICAE and the symposiums held at AESJ's recent annual conventions, the following issues call for AESJ's serious academic attention.

Firstly, how to solve the imbalance in supply and demand of food on a global level in a world where hunger and satiation coexist.

Secondly, how agriculture should work as a symbiotic link between the global environment and industrialized societies.

Thirdly, how to improve or solve inconsistencies in modern agriculture to enable it to provide a continuous supply of ample food to later generations over a long period of time. Here lies a real challenge for AESJ as well as for Japanese agriculture which is, in a highly industrialized economy, on the verge of decline and decay.

On the occasion of the 21st ICAE, AESJ instituted a policy of reestablishing itself as a legal body, further promoting international exchange of academic research and making efforts to tackle more effectively the difficult issues concerning food and agricultural problems that Japan and the world face.

> (Naraomi IMAMURA, The University of Tokyo) (Fumio EGAITSU, The University of Tokyo) (Teizo HIGUCHI, Tsukuba University)

#### THE JAPANESE FINANCE ASSOCIATION

The Japanese Finance Association was founded in 1977 to promote academic research in the field of corporate finance and financial management. The initiative for the creation of the Association came partly from academic researchers in business administration, partly from those in financial economics. From the time of its foundation, providing a focal point for intellectual interactions between researchers in academic institutions and those in business and governmental institutions has been one of the primary objectives of the Association. The Association has currently 460 individual members and 9 institutional members.

The main activities of the Association consist of holding annual meetings and publishing annual collections of articles under the title Keiei Zaimu Kenkyu Sosho (Corporation Finance Studies Series). Twelve volumes have already been published in the series, and the two following volumes are going to be published by the first half of next year. The thirteenth volume, titled Gendai Keiei Zaimu no Kouzou Bunseki (The Structure of Contemporary Finance), is in the process of being edited at Kyoto University, and the fourteenth volume, titled Gendai Zaimu Seisaku no Shintenkai (New Developments in Financial Policy) at Kyushu University. Incidentally the tenth volume (1989) was titled Shihonshijo no Hatten to Shisan Unyo (Development of Financial Markets and Corporate Financial Property Transactions), the eleventh volume (1990) titled Kigyo Kinyu to Keiei Mondai (Corporation Finance and Business Issues) and the twelfth volume (1991) Gendai Zaimuron no Choryu (Frontiers of the Modern Theory of Finance). Articles published in this series are subject to refereeing by members of the Association. A lot of articles in the series are reports of presentations at annual meetings.

Here are brief outlines of recent annual meetings. The 12th annual meeting was held on the theme of *Finance and Investment of Corporations* at Kinki University in 1988. The 13th annual meeting was held on the theme of The Deregulation of the Financial Markets in Japan and Its Effects on Corporate Finance, Theory and Practice, at Waseda University in 1989.

The 14th annual meeting composed a panel discussion on Kokusai Zaimu to Zaimu Kanri (International Finance and Financial Management of the Firm) at Kyoto University in 1990, while a panel discussion at the 15th annual meeting considered the theme Kaikei Disclosure Seisaku to Zaimu—Kaikei to Zaimu (The Practice of Accounting Disclosure and Corporation Finance—The Relation between Accounting System and Finance Issues) at Kyushu University in 1991.

The 16th annual meeting took the form of a panel discussion on *Shihonshijo* no Kakushin to Keieizaimu no Kadai (Innovation in Financial Markets and Issues of Finance) at Rikkyo University in October 1992. A detailed report of this

meeting will be published in the next Information Bulletin (1993).

The 17th annual meeting will be held at Aichi University in the autumn of 1993, and the 18th annual meeting is scheduled for Hitotsubashi University in the following year. Their themes have not been decided yet.

The 15th annual meeting was held at Kyushu University on October 7 and 8 in 1991, with 175 participants. There were six sessions, at which 17 papers were presented. In addition there was a panel discussion with four panelists. Abstracts of the papers presented to the regular sessions and the panel discussions were printed in *Nippon Keiei Zaimu Kenkyu Gakkai Dai 15 Kai Zenkoku Taikai Hokoku Yoshi (Summary of the 15th Annual Meeting of the Japan Finance Association*). The first session, chaired by Kiyoshi MIZUKOSHI (Bunkyo Women's College), with comments by Michihiro IKOMA (Kinki University), focused on the Relation of Corporation and Financial Firms. Reporters were as follows: Akihiro KOYAMA (Gakushuin University), "On the Relationship of a Firm to Banks—A Comparative Analysis of Germany and Japan"; Hiroshi MARUYAMA (Yokohama Municipal University), "Bond Remedy by and Indenture Trustee as a Main Bank"; Tsuneo SAKAMOTO (Meiji University), "Growth, Profit of City Banks and Business Groups."

The second session, chaired by Rinya SHIBAKAWA (Hitotsubashi University), with comments by Shinobu MURAMATSU (Seikei University), was centered on Mergers and Acquisitions and the Capital Market. Reporters were as follows: Kyoko IKEGAMI (Kyushu University), "Financial and Accounting Issued on the Late 1980's M&A in the USA"; Toru NAKAI (Okayama College of Commerce), "A Perspective of Acquisitions Strategies of Japanese Companies"; Ryozo SHIRAGANE (Kokushikan University), "M&A and the Market Based Corporate Performance."

At the third session, chaired by Heizo URANO (Kitakyushu University), with comments by Yoshio IIHARA (Nanzan University), papers on various subjects were presented. Reporters were as follows: Hiroshi MIZUNO (Fukuoka University), "Choice among Dividends, Retained Earnings and External Financing"; Kenji OTSUKA (Hiroshima Shudo University), "Japanese Corporate Strategy --- A Simulation"; Soichiro MORIHIRA (Keio University), "Forward Hedging Operation and Tax."

The fourth session, chaired by Shozo TAKAHASHI (Rikkyo University), with comments by Hisashi MASAKI (Doshisha University), dealt with Structural Financial Change in Current Japanese Firms. Reporters were as follows: Tokuji MINOWA (Saitama University), "The Changes in Financial Structure of the Big Business in Japan"; Shushin NARITA (Nihon University), "Changes and Features of the Financial Organizations of the Japanese Corporations"; Yasushi HAMAMOTO (Osaka University of Economics), "The Change in Financial

Structure in Japan's Business Enterprise."

The fifth session, chaired by Katsunosuke MOROI (Aoyama Gakuin University), with comments by Eisuke MORIZONO (Toyama University), had as its common theme International Finance and Financial Management Policy. Reporters were as follows: Sumire YAMAGUCHI (Waseda University), "Valuation—Model-based Tests of International Equity Integration—A Review"; Yoshiro HATSUKADE (Yamanashi Prefectural Women's College), "Curren Changes and Management Control of Foreign Subsidiaries"; Mamoru AOYAMA (Yokohama National University), "The Issues of Global Index Funds."

The sixth session, chaired by Koichi FURUKAWA (Tokyo Institute of Technology), with comments by Junjiro MIYAMOTO (Kanto Gakuin University), dealt with M&A. Reporters were: Tsuneo ONOZAKI (Obirin University), "A Case Study on TOB in Japan—Gadelius", Ikuo HARADA (Nihon University), "A Review on Japanese M&A."

The theme for panel discussion, chaired by Shogo NAKAJIMA (Ferris University) and Goichi KATAYAMA (Fukuoka University), with comments by Jiro ASABA (Musashi University), focused on the Practice of Accounting Disclosure and Corporation Finance—the Relation between Accounting System and Finance Issues. The panelists were as follows: Hidetoshi YAMAJI (Kobe University), "The Modern Significance of Accounting Information Disclosure ---- Economic Interests and the Social Ideal"; Sadayoshi MAEDA (Musashi University), "Extension of Accounting Disclosure System and Business Finance"; Yasuo KAKURAI (Hosei University), "Bubble Economy and Accounting disclosure"; Tsunehiro TSUMORI (Kyushu University), "Accounting Disclosure Policy and Corporation Finance."

YAMAJI stressed that accounting information disclosure had always filled the role of solving social economic problems or issues each time; he took up issues in respect of regulation by decision making on railway fares and freight at the end of the last century and of the range of securities regulations in the 1930's in the USA. MAEDA tried to analyze the relation between the development of the accounting disclosure system and the Company Act in the United Kingdom. He pointed out that the establishment of accounting standards had been set up to solve the sense of social distrust against firms caused by the defects of the accounting and financial system in M&A in the 1960's in the UK. KAKURAI tried to explain the relationship between accounting disclosure and current issues on the breakdown of the bubble economic situation in Japan. He emphasized the extension of the accounting disclosure system with segment statements, and publicity of the current price of securities to prevent accounting manipulation. TSUMORI explained the relation between accounting disclosure policies and practical corporation finance, comparing it with accounting dividend stabilization policy in Germany, and the publicity of accounting information at certain phases in the USA. He also referred theoretically to a change from a reporting function to a publicity function in the accounting system. Finally he tried to analyze the comparative possibilities of Financial Statement E32 by IASC and its influence on the Japanese accounting system.

The Chairman of the 15th annual meeting of the Association was Shozo ICHIMURA (Kyushu University [till March 1992], Fukuoka University [from April 1992]), the secretariat was Masaru USHIYAMA (Kyushu University), and council members were Akio MORI (President of the Association, Kobe University), and Banri ASANUMA (the chairman of last year's meeting, Kyoto University).

(Masaru USHIYAMA, Kyushu University)

#### THE JAPAN SOCIETY OF INTERNATIONAL ECONOMICS

Ι.

The Japan Society of International Economics was founded on April 29, 1950, with the aim of promoting theoretical, empirical and policy-oriented academic research in International Economics. It has held general meetings annually and published summaries of papers and the proceedings of its meetings in its official bulletin, the *International Economy*. Beside general meetings, it has sponsored local conferences held several times a year in the Kanto, Chubu and Kansai Districts. The Society's membership covers both academic and business economists interested in International Economics. It has about 1,200 individual members and 22 supporting institutional members.

The general meeting is usually held for two days—one day is allocated to a panel discussion based upon the keynote papers and one day to free theme sessions. The number of papers presented to the general meetings from 1950 to 1992 is shown in Table 1, totaling up to 891. The keynote papers for panel discussion are presented both from the so-called modern economics side and from the so-called Marxist side to stimulate discussion as well as to help form balanced overall views on the issue. This may be regarded as one of the unique features of the Society.

In order to give a brief summary of the Society's academic activity, let us review what have been the main themes of the panel discussions.

During the 1950s, reflecting the reconstruction stage of the Japanese economy, policy-oriented themes were taken up: What the Japanese Trade Policy Should Be (1951,1), The Asian Economy and Japan (1953,2), Economic Development and Foreign Trade (1956,2), The Japanese Economy and Trade (1957) and so on. Notable contributions during the decade were empirical examinations of the relationship between Japanese economic development and its terms of trade by Kiyoshi KOJIMA (Hitotsubashi University) and Miyohei SHINOHARA (Hitotsubashi University).

The start of the European Economic Community and its early progress led the Society to focus on regional economic integration in relation to multilateral trade liberalization. Thus the themes under panel discussion during the 1960s were, for example, A New Development of the World Economy (1960), World Trade on Turning Point (1964), Regionalism in Theory and Practice (1967). Kiyoshi KOJIMA (Hitotsubashi University) delivered a pioneering paper entitled "A Pacific Free Trade Area Scheme Reconsidered". Among a number of papers presented to the free theme sessions, it is worthwhile to mention Akira TAKAYAMA 's (International Christian University) "On Balanced Growth of Nurkse and Lewes" (1963) and Akihiro AMANO's (Kobe University) "Determinants of Comparative Costs" (1963), both of which contributed to induce young members of the Society to study the two by two mathematical trade model.

The world economy in the 1970s experienced some dramatic changes such as the oil crisis, the shift away from the adjustable peg exchange system to a flexible exchange system and others. The themes under panel discussion were, for example, as follows: Reconstruction of the International Monetary System and its Problems (1972), The Future of the International Monetary System and Today's Floating Exchange System (1973), Confusion and Reorganization of the World Economy (1974), and Crisis in the World Economy—Its Structure and Policy Direction (1975). The keynote papers were presented, for example, by Yasuo NORITAKE (Kobe University, 1972), Taro WATANABE (Osaka University, 1973), Jun NISHIKAWA (Waseda University, 1974), and Giichi MIYAZAKI (Kyoto University, 1975). It should be mentioned that at the free theme session in 1972 Michihiro OHYAMA (Keio University) presented the paper, "Trade and Welfare in General Equilibrium", which contained the now well-known Ohyama theorem.

Until 1980 the Japanese economy expanded so rapidly that it became one of the giants in the world economy. Japan was faced with new problems, clearly exemplified by themes for panel discussion such as Japan's Economic Conflicts with the United States and Europe (1981), Transformation and Outlook of the World Economy (1985), Internationalization and Business Activities (1987), and Technological Innovation and the World Economy (1989). The main contributors to panel discussions were, among others, Saburo OKITA (Representative for External Economic Affairs, 1981), Makoto IKEMA (Hitotsubashi University, 1985), Kiyoshi IKEMOTO (Kobe University, 1987), and Masaru SAITO (Chuo University, 1989).

Now Japan is the only one economic giant which has not yet attached itself to a regional economic integration, intending to pursue a free trade policy within the framework of the multilateral GATT system. But the recent rise of regionalism, which is likely to endure and gain in strength, poses a threat to the multilateral GATT system, and, thus, to the backbone of Japan's trade policy. Hence the themes of Regionalism and the World Economy and Integration and Disintegration of the World Economy were chosen for panel discussion both in 1990 and in 1992 respectively. In relation to these themes, the paper by Mikoto USUI (Tsukuba University) presented at the free theme session in 1991 suggested a sensible way of sustaining a multilateral cooperative regime.

(Makoto IKEMA, Hitotsubashi University)

II,

This part aims at pointing out main research areas and some interesting papers in each area reported at the annual conferences of our society since 1987, excepting papers on the modern economics approach.

The Plaza Agreement in 1985 was an epoch-making event in policy coordinations among advanced countries which had already begun in the mid 1970's. At the same time, it revealed the retardation of the American economic position in the world economy, and stimulated globalization of Japanese big businesses on a full scale and revitalization of EC integration processes. In a word, it showed the emergence of a control system by three poles in the world economy. The trend in this direction was accelerated especially by the collapse of the socialist system in the late 1980's, and has appeared very clearly in the early 1990's. In Asia, foreign direct investments from NIES to ASEAN countries and China since 1988 as well as Japanese direct investments to those countries have contributed to establish a multilayered international economic structure among Asian countries with Japan at the top of it.

The big dynamic changes as stated above in the second half of the 1980's influenced the subjects of study of economists in our Society. First of all, it should be noted that the majority of them were engaged in not pure theoretical issues but empirical research works.

Main subjects and their representative reports are as follows. (Figures in parentheses indicate the published year of the Society's bulletin and pages respectively.)

I) As to multinational corporations (MNCs), studies concerning new forms of international investment, stressing the significance of foreign investments without stock ownership, which were first investigated by C. OMAN(OECD) in his book New Forms of International Investment in Developing Countries in 1984, include a report by Shiroh TAKEDA (Yokohama National University, 1988, pp.5-18), who puts the focus on international strategic alliances among MNCs, arguing it as the international division of labour between intra-relating firms which operate international intra-firm division of labour. The most important contributions in his study are in his analyses of the transactions of intrarelating firms (not intra-firm) and forms of international strategic alliances among MNCs. Researches for finding out the structure and development of real international intra-firm division of labour and trade network of Japanese MNCs were done concretely in the case of the automobile industry by Tadahiro TAKENO (Tokyo Metropolitan Technical College, 1989, 137-42 and 1991, 135-7) and in the case of the electrical-electronics industry by Yoshihiro OHISHI (Saga University, 1989, 143-7). They contribute in recording MNCs' networks in products and production processes at company levels in case of Japan.

II) As to foreign direct investments, Sadao FUJIWARA (Yamaguchi University, 1989, 259-63) analyzes and raises some questions about the foreign direct investment policies of the Japanese government after his critical review of her policies since the 1950s. The development of global activity of Japanese MNCs has attracted the attention of many economists, including foreign researchers, to Japanese management systems like lifetime employment, strong union-management cooperation etc. and their transferability. On this problem, Hiroshi ITAGAKI (Saitama University, 1988, 297-302) analyzes the situation in some corporations in the automobile, electrical, semi-conductor industries in the U.S. using the concepts of "application" and "adaptation". This report consists of part of a field work project organized by Tetsuo ABO (Tokyo University). A report on this project was published as T. ABO (ed.) Production of Japanese Companies in America (in Japanese, 1988, 132-72) Tokyo, 1988. Also Shoichi YAMASHITA (Hiroshima University) checked the acceptability of Japanese management systems in Thailand using his own original questionnaire. Both reports are important as pilot studies. Katsumi SHIMADA (Kyoto Gakuen University, 1988, 186-91) examines the implication of longer-time contract transactions between firms in Japan on the basis of Fair Trade Commission data. The study of such transactions has recently become important in comparison to US companies's behaviour.

II) Analyses on NIES countries have been done by many members during this period. Reports on the Korean economy are flourishing. TRAN Van Tho (Obirin University, 1989, 223-7) analyzes the process of development of a synthetic fiber industry in relation to the introduction of foreign capital and technology, and finds out that indigenous companies have taken the place of foreign dominance in its upstream. This is a valuable study. Though many studies on the Korean economy pay attention to the bright side of her economic development, II PARK (Osaka City University, 1989, 117-20) deals with the role and policies of importation of foreign capital in 1960s-70s with an eye on the negative side of her development processes. It is noteworthy that many Korean economists contribute in this field. As to the Taiwan economy Shoh Gen TO (Nagoya University, 1988, 109-22) has done interesting research on her market structure and the position of big companies using his own original data. As an analysis of her inner economic structure this paper is highly appreciated.

IV) The new international division of labour (NIDL) hypothesis was presented in a book, *The New International Division of Labour*, Cambridge Univ. 1980 by German economists, F. FROBEL, J. HEINRICHS, O. KREYE based on the nature of the following three conditions in the contemporary world economy: the existence of affluent potential work forces in the world, the

development of technology and labour organization which make the division of production processes possible, and thirdly the freeing of the location of production and control of companies from geographical restraints as the result of technological developments in the fields of transportation, communication and information systems. According to this theory, these newly emerged situations are the presupposition for industrialization in the developing countries. From the point of this view Tetsuya KOBAYASHI (1988, 96-102) discusses the conditions in the case of the Asian NIES rather theoretically, and Kiriro MORITA (The University of Tokyo, 1988, 199-203) discusses the influence on female labour forces.

V) A most impressive study on EC integration is achieved by Sokoh TANAKA (Tohoku University, 1987, 50-62 and 1991, 33-42). He analyses the economic structure in the EC and its development in relation to the historical changes of the world economy; he also stresses the trend from economic integration to a monetary, political one in the late 1990s as the inevitable road for prosperity in European countries. Kazuhisa OKUMURA (Hiroshima University, 1989, 121-6) makes clear the existence of a multi-layered structure of national economies among the EC countries, using statistical data on foreign trade which were processed by himself. It is necessary to add here that there are keen debates on the probability of block discrimination against non-member countries in the cases of the EC and NAFTA.

VI) How to understand the nature of economic conflicts between Japan and the US is one of the biggest problems. It is necessary to put the antagonistic aspects and the cooperative ones in their right places. There is a strong stream of arguments which stresses the trend to strengthen these ties in the future. Minoru SEKISHITA (Ritsumeikan University, 1991, 20-9) considers the trade conflicts in their nature and their solution processes, referring even to the political negotiations of both countries. Fumitake MATSUMURA (Osaka University of Economics, 1988, 310-6) sheds light to a kind of coordination between the two countries by finding out a complementary structure by Japanese official and private finance for the US balance of payment deficits since the 1970s, based on systematically processed time-series balance of payment statistics data of the US.

(Shoshichi SUGIMOTO, Kyoto University)

	Number of P Presented	-		Number of Papers Presented to		
Year	Free Theme	Panel	Year	Free Theme	Panel	
	Sessions	Discussion		Sessions	Discussion	
1950,	1 4	-	1968	9	6	
1950, 2	2 8	2	1969	5	6	
1951, 1	l 11	-	1970	6	6	
1951, 2	2 7	7	1971	12	5	
1952, 1	1 7	4	1972	12	3	
1952, 2	2 4	4	1973	8	4	
1953, 1	1 5	4	1974	8	4	
1953, 2	2 3	11	1975	12	4	
1954,	1 6	4	1976	6	7	
1954, 2	2 7	5	1977	14	4	
1955, 1	1 5	6	1978	15	3	
1955, 2	2 5	6	1979	16	3	
1956, 1	1 5	5	1980	24	3	
1956, 2	2 6	5	1981	18	3	
1957, 1	1 7	5	1982	18	3	
1957, 2	2 7	5	1983	21	3	
1958	5	6	1984	17	6	
1959	6	11	1985	30	4	
1960	8	7	1986	21	4	
1961	9	6	1987	42	3	
1962	9	6	1988	33	4	
1963	9	5	1989	31	3	
1964	8	6	1990	31	3	
1965	9	7	1991	39	3	
1966	9	6	1992	24	5	
1967	9	6	Total	650	241	

Table 1. Number of Papers Presented to General Meetings of The Japan Society ofInternational Economics: 1950 - 92.

#### THE ACADEMY OF MANAGEMENT PHILOSOPHY

#### 1. History and Outlook of the Academy

The Academy of Management Philosophy was started with members' unanimous support at the First National Conference held in September, 1984 as an outgrowth of a former organization named the Management Philosophy Research Committee established in April of the same year. The mission for founding this academic association rested on contributing to the establishment of a new set of principles for corporate behavior based on a comprehensive approach that incorporates not only an economic or economically biased emphasis, but also the significance of human dignity, human life, living environment, and social environment as its integral components. Our Academy invites members not only from Japanese academic circles and the business world, but also from overseas countries for the purpose of exploring the depth of new corporate philosophies from an international point of view. Presently, about 280 people are registered as members for our Academy, and maintain well-knit network relationships and creative research activities among themselves.

The historical changes that have taken place since the end of the 1980's across the world are now pressing us to renew our traditional system of values, standard of conduct and conceptual framework, at a far higher speed than had been expected. Under these turbulent world conditions of such historical significance, it has become vitally important to make an effort for laying a sound and dynamic foundation from a long-term and holistic point of view, so that we can contribute to the stability and mutual prosperity among nations, and to the construction of society and human life with feelings of latitude, affluence and worthwhile living. To achieve the above goals, the following three issues seen to b the most urgent tasks to be tackled: (1) designing the new world order and establishing a new set of world rules, (2) developing new political-social systems which enable the practical design of national level innovations based on a set of roles and orders with fairness, validity, and universality at local as well as global settings, and finally, (3) creating a new corporate image and the standard of conduct for the new stage of business activities.

#### 2. The 9th National Conference

The 1992 National Conference at Senshu University was devoted primarily to the main theme: Creation and Practice in Neo Management Philosophy. Regarding this theme, Haruo MURATA (Musashi University), Tatsuji SUZUKI (Niigata University), Tadao KAGONO (Kobe University) and Toshinobu KITANO (Aichi Gakuin University) presented their main topics. The guest speaker Ryuzaburo KAKU (President of Canon) discussed the importance of corporate ethics from the manager's point of view. After the "Bubble Economy," ethics issues in Japanese companies are becoming more pronounced. Therefore, the necessity to discuss these corporate ethics was emphasized. Other presentations were also given by eminent speakers in their related fields.

President KAKU said the following on the globalization of the economy and the role of enterprises:

"The ideology that only Japan should prosper, as in the past, will not acquire Japan any prosperity. But instead, it will lead to an isolation of Japan from the rest of the world, and eventually, even to the collapse of Japan. Consequently, the ideology of Japan should have been collaboration with the rest of the world. However, this has not been the case. Politicians and bureaucrats placed their concerns on individual interests and national interests, and were able to deal with such affairs. However, they simply could not handle the realization of universal values at the international level. If we are to recognize these facts, then we cannot but conclude that the collaboration of Japan with the rest of the world through the globalization of the economy, must be realized by the enterprises, and not by the politicians and bureaucrats. This is also supported by the fact that the enterprises already have global networks. They wish for their own individual interests, but also at the same time, they are the ones who wish most for the realization of universal values at the international level."

In other words, free trade and collaboration by Japan with the rest of the world is the enterprises of today most desire. Accordingly, if the enterprises make management ethics and philosophy inherent to themselves, we can think of them as originators and integrators who have successfully achieved the coexistence of individual interests and universal values at the international level. The importance of the management ethics and philosophy is being recognized a new through the reflection of the bubble economy. And today, it is closely tied to the collaboration of the human race through the globalization of the economy.

#### 3. Activities in the Academy of Management Philosophy

It is necessary to design a new paradigm by questioning ourselves as to the way corporations respond to the emerging realities and their future, ways of managerial thinking, and the corporate structure and its functions. Our academic association hopes to see proactive managerial behavior prevail for reaching positive ad fundamental solutions of contemporary problems, based on a new paradigm for accelerating changes and for creating and also for rearranging the structure of our environment, rather than for reaching passive solutions or a mere treatment of symptoms by relying mostly upon the established paradigm and the prescribed behavioral patterns for adjustment to change. It is expected that valuable contributions will be derived form the activities of our Academy members who seek to meet the challenges for creating new corporate philosophies and their implementation.

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(Mitsuru WAKABAYASHI, Nagoya University)

## THE ACADEMIC ASSOCIATION FOR ORGANIZATIONAL SCIENCE

The Academic Association for Organizational Science was founded by Professor Keiji BABA in 1959. He thought that multilateral inquiry into organizations should be one of the most important tasks in social science. He regarded this organizational study, "organizational science," as a micro foundation in social science. The association was intended to foster interdisciplinary studies of organizations based on his conception. The members' disciplines were various, such as management, economics, law, politics, public administration, sociology, psychology, behavioral science, engineering. This interdisciplinary characteristic of the association has been maintained from its start until today.

Professor Susumu TAKAMIYA became the second president of the association in 1963 after Professor BABA passed away. President TAKAMIYA expanded the activities of the association both in quality and quantity based on the founding philosophy and established the basic skeleton of the association. Today, one of the association's two major activities is its annual meeting and the other is the issue of a journal, *Organizational Science*.

The annual meeting has been held every autumn since 1966; at each one a specific common theme is focused on. Additionally, a seminar meeting has been held every spring since 1972 at which research presentations are made on various topics.

The common themes at the annual meetings clearly reflect the major interests of our association at that time. The themes and the universities where the annual meetings have been held are as follows. Development of the Theory of Corporate Organizations. Sophia University, 1965

Development of the Theory of Corporate Organizations, Sophia University, 1965 Organization Theory in Highly Industrialized Society, Sophia University, 1966 Organization and Innovation, University of Tokyo, 1967 Modern Organization and Bureaucracy, St. Paul's University, 1968 Power in Organization, Sophia University, 1969 Flexible Organization and Social Flexibility, Gakushuin University, 1970 Organization and Environment, Kyoto University, 1971 Organization and Leadership, Sophia University, 1972 New Development of Organizational Theory, St. Paul's University, 1973 Change and Revolution in Organizations, Toyo University, 1974 Behavioral Approach to Organization Theory, Kobe University, 1975 International Comparison of Organizations, Takushoku University, 1977 Prospects of Future Organizations, Hitotsubashi University, 1978 Problems and Method of Organizational Study, University of Tokyo, 1979 Comparative Study of Various Organizations, Nihon University, 1980 Frontiers in Organizational Science, Waseda University, 1981 Japanese Organizations, Hosei University, 1982 Emerging Problems in Japanese Management, Meiji University, 1983 Creativity and Innovation in Organizations, Gakushuin University, 1984 Environmental Change and Self-Organizing, St. Paul's University, 1985 Changing Power-Relationships in Highly Industrialized Society, Keio University, 1986 Organizing in Contemporary Society, Kyushu University, 1987 Entrepreneurship: Main Motives of Organizational Creativity, Hitotsubashi

University, 1988

Information Technology and Organization, University of Tokyo, 1989

Value and Organization at a Turning Point, Kyoto University, 1990

Globalization: Its Impacts on Organization and Management, Waseda University, 1991

Reexamination of Organizations and Institutions in Japan, Kobe University, 1992

These themes can be broadly classified into five categories: (1) the methodology of organizational science, (2) the organizational response to changing environment, (3) the relationships between organizational behavior and endogenous factors (bureaucracy, power, leadership, entrepreneurship), (4) the dynamism of organizations (innovation, creativity, self-renewal), (5) international comparison and Japanese management. Although similar themes have repeatedly appeared, research on them has been spirally advanced in the sense that the discussions at the meeting have reflected environmental change as well as previous research.

For example, two recent meetings, the 1988 Annual Meeting and the 1991 Annual Meeting, were held as follows.

The theme in 1988 was Entrepreneurship: Main Motives of Organizational Creativity. The following seven papers were presented at the meeting.

(1) "Sequential Definition of Entrepreneurship" by Seiichiro YONEKURA (Hitotsubashi University)

(2) "The Process of Autonomy and Movements in Inner-Living Type Religions" by Shigeru NISHIYAMA (Toyo University)

(3) "The Process of New Business Establishment and Entrepreneurial Functions" by Eiji OGAWA (Nagoya University)

(4) "Entrepreneurship in Middle Sized Corporations" by Shuichiro NAKAMURA (Senshu University)

(5) "Entrepreneurship in Business History" by Keiichiro NAKAGAWA (Aoyama Gakuin University)

(6) "The Conditions of Entrepreneurial Behavior in Retail Corporations" by Junzo ISHII (Doshisha University)

(7) "Organization Theories of Information and Knowledge Creation: the Organizational Process of Innovation" by Ikujiro NONAKA (Hitotsubashi University)

Professor NAKAGAWA and Professor YONEKURA discussed the meanings and definition of entrepreneurship from the theoretical and historical viewpoints. Professor NAKAMURA and Professor OGAWA reported on entrepreneurship in innovative corporations. An interesting presentation on the innovative process was given by Professor NONAKA. He emphasized the importance of the functions of information and the self-organizing processes to make an organization innovative.

A symposium chaired by Hiroyuki ITAMI (Hitotsubashi University) was given at the final session of the meeting. Tadashi MITO (Chukyo University), Kenichi IMAI (Hitotsubashi University), Kenjiro USHIODA (President, Toyo Sash Co.) and Michiyuki UENOHARA (Vice President, Nippon Electric Co.) contributed their thoughts and ideas about entrepreneurship in Japan. After a vigorous discussion, the following conclusions emerged. First, one of the entrepreneur's important functions is to enhance employees' potential abilities and give them ideals at which they can aim. Second, the innovative process (entrepreneurship) is a dynamic process. Third, the essential element in entrepreneurship is information. Fourth, the age of individual innovation has passed, and the age of collective innovation has arrived. Japanese management systems are well suited to this collective innovation.

The theme in 1991 was Globalization: Its Impacts on Organization and Management. The rapid and extensive globalization in both economic and political activities has had considerable effect on organizations and management. The following six papers which discussed the issue from the international and/or Japanese perspectives were presented at the meeting.

(1) "Leadership of Japanese Managers and Formalization of Organizations" by Tetsuo AMAKO (Yokohama National University)

(2) "Personnel Management in Japanese Companies in Britain" by Malcolm TREVOR (Nagoya City University)

(3) "Japanese Business in a Global Context" by Ken-ichi ENATSU (Waseda University)

(4) "Managing the Global Knowledge Creation Process" Ikujiro NONAKA (Hitotsubashi University)

(5) "Confucian Capitalism and Contemporary Business Management" by Hiroshi HAZAMA (Waseda University)

(6) "Toward a Dynamic Principle of Organization" Katsunori HIRATA (Osaka

Kogyo Bank).

Additionally, a special lecture entitled "International Approach to Global Environment Problems" was given by Yoichi KAYA (University of Tokyo). A symposium on "The Formation of International Rules" chaired by Tadao KAGONO (Kobe University) was one of the most stimulating sessions at the meeting. Three panelists gave different cases of formation of international rules. Masayuki TADOKORO (Himeji Dokkyo University) explained the negotiation process of the Bank for International Settlements (BIS) regulation. Tsuneo SOGAWA (Waseda University) presented on the international diffusion process of Judo. Jun-ichi TAKAHASHI (Obirin University) proposed organizational problems in the international regulation of whaling.

Afterward, the common conditions and problems on the formation process of international rules were discussed and tentative conclusions were proposed. First, the membership is closely related to the decision process. Homogeneous members such as a particular specialist group make a rational decision while the decision process of diverse members is political. Second, locality as well as universality is an important factor for making a rule fascinating for many people.

The Association's second major activity is the issue of its academic journal, *Organizational Science*. The first volume was published in 1967 and it has been published quarterly since 1968. *Organizational Science* aims to be a synthetic theoretical journal in the social sciences. The editorial board have laid stress on the interdisciplinary approach in order to inquire into modern organizations as open systems in the economic and social environment.

Each issue consists of two parts. In the first part, several papers focus on the same specific theme of each issue. Most authors are members of the Association, but non-members including foreign researchers have also contributed their papers. In the second part, a few papers on free topics appear. These papers are selected through a refereeing system from papers submitted by relatively young members.

The themes focused on in the first part of each issue can be classified as follows.

(1) Organizational Problems in Modern Society: estrangement and participation, organization and economic system, social change and organizational change, organizing in contemporary society, changing power-relationships in highly industrialized society, value and organization at the turning point, stockholders in modern business, natural disasters and organizational prevention, etc.

(2) Basic Tasks for Organization Theory: goal formation in organizations, decision making, communication, leadership, power, reexamination of the bureaucratic system, effectiveness of organizations, etc.

(3) Dynamism of Organizations: flexible organization, self-renewal of organization, creativity and innovation in organization, transition management, crisis management, organizational revolution and organizational learning, etc.

(4) Problems of Corporate Organizations: modern corporations, social responsibility, participation in management, corporate strategy, strategic organizations, effect of technological innovation and information technology, superfluous managerial personnel, etc.

(5) Non-Profit Organizations: efficiency of administrative organization, problems in public organizations, organization of local government, etc.

(6) Japanese Organizations: Japanese management, future of Japanese organizations, some development of "Japan Model," etc.

(7) International Comparison of Organizations and Internationalization: international organizations, globalization and organizations, international comparison of organizations, Japanese management in overseas countries, etc.

(8) Research Methodology of Organizational Science: the works of C. I. Barnard, leadership theory, motivation theory, organizational psychology, behavioral approach to organization theory, system theory, contingency theory, network theory, self-organizing, cognitive theory of organization, etc.

In addition to those two major activities, the association has three minor activities. The first of them is the monthly seminar held in Tokyo. Normally, about twenty members discuss a presentation at this seminar. Presenters are not only members but also non-members including foreign researchers. For example, Professor O. E. WILLIAMSON (University of California at Berkeley) and Professor D. J. TEECE (University of California at Berkeley) contributed papers at the seminar held in March, 1992. Similar seminars are also held by three local branches: the Kansai Branch, Kyushu Branch, and Chubu Branch.

The second activity is financial support for research workshops, five to seven of which take place every year. This system encourages joint research projects by members, although funds are not large. The research workshops in 1992 were as follows.

(1) Discontinuous Change of Product Technology and Paradigm Innovation in High Technology Industries

(2) Theory and Practice of Strategic Alliance

(3) Analysis of Questionnaire Data on Meaning of Working Life in Japan, Germany, and the U.S.

(4) Investigation on Localization of Overseas Operation of Japanese Firms

(5) Development of Research on Corporate Organization in Japan

(6) Diffusion Process of the Theory of Barnard and Simon

The third activity is making The Academic Association for Organizational

Science Award to outstanding books or papers published by relatively younger members. This annual award is also called the "Takamiya Award" in memory of former president Professor Susumu TAKAMIYA, who manifested zeal for founding the award. Past award-winning books have been as follows.

(1) 1984: Tadao KAGONO (Kobe University), Ikujiro NONAKA (Hitotsubashi University), Kiyonori SAKAKIBARA (London Business School), and Akihiro OKUMURA (Keio University), *Comparison of Management between Japanese and U.S. Firms* 

(2) 1985: Tsuneo SASAKI (Musashi University), Henri Fayol; Haruo MURATA (Musashi University), Philosophy of Management

(3) 1986: Akinobu SAKASHITA (Kobe University), Research on Organizational Behavior

(4) 1987: Takatoshi IMADA (Tokyo Institute of Technology), Self-Organizing

(5) 1988: Nobuo TAKAHASHI (University of Tokyo), Design of Adaptive Organizations

(6) 1989: Tamio HATTORI (Toyo University of Economics), Management Development in Korea

(7) 1990: Masao TAO (Kyoto University), Organization and Management of Public Services

(8) 1991: Toshio KOBAYASHI (Okayama University), Conditions of Justice

Through the above activities, the Association has developed diverse research on the impact of social change on organizations, the characteristics of organizations which respond to these impacts, and the effect of these responses on societies. It has also been developing the methodology of organizational studies.

Now, Professor Yasuo OKAMOTO (Aoyama Gakuin University) is the third president since Professor TAKAMIYA passed away in China in 1986. The majority of the members, who amount to over 1200 in total, is shifting to the third generation for the Association. Basic policies have been maintained since its foundation, however. The Association has stuck to pursuing interdisciplinary approaches and stimulating younger researchers. Our activities will expand and develop based on these policies

> Yasuo OKAMOTO (Aoyama Gakuin University) Junjiro SHINTAKU (Gakushuin University)

#### JAPAN PORT ECONOMICS ASSOCIATION

It should be remembered that port issues were becoming of increasing importance in the mid-1950s, when Japan's economy was growing rapidly. As a condition for the nation's high growth, a policy was essential to strengthen the productivity of an equipment type of heavy chemical industry. Certainly, improvements in the functions of port operations were urgently needed to promote the policy. It is no exaggeration to say, therefore, that the importance of port operating functions for Japan's high economic growth was socio-economically will recognized. It was this that led to the establishment of the Japan Port Economics Association.

People involved in port operations, government officers and researchers at universities met to discuss the port issues from the expert point of view, developing into the establishment of an independent association to study port operations. A general meeting for that purpose was held at the Yokohama Silk Hotel on October 17, 1962.

From the birth of the Association to its 31st annual conference slated for 1992 in Kushiro Port, its presidency was from Takeshi YANO (then at Waseda University), Ginjiro SHIBATA (then at Kobe University), Hisashi AZUMA (then at Tokai University) to Toshiro KITAMI (Aoyama Gakuin University) at present. The Association now has a membership of 310 standing members and 42 organization members. Let us have a look at recent study trends, viewing the areas covered by presentations delivered at recent annual conferences.

Economic activities in 1985 may be characterized by such factors as deregulation, internationalization, information society and diversification. Activation was highlighted in many areas in the so-called higher yen period of around 1985. Seven presenters, namely Masatoshi KAGAWA, Manzo KANAI (Institute of Area Planning Architecture), Yasoi YASUDA (Tsukuba University), Jae Ha KIM (Korea, Seiden University), Toru ZAKO (Municipality of Kobe City), Takehiko KIMURA (Nagoya Port Authority), and Toshiro KITAMI (Aoyama Gakuin University) shared presentations entitled "Port Activation and City Redevelopment" at the 24th annual conference in Osaka Port in 1985. An especially interesting point was the great difference in their ways of identifying port activation.

At the 25th annual conference in Tokyo Port in 1986, when internationally compounded transportation was advancing, five presenters: Genji YAMADA (Total Study Group for Ports and Transport), Jae Ha KIM (Korea, Seiden University), Kiyoya ICHIKI (University of Distributional Economics), Manabu YAMAMURA (Meiji Gakuin University), and Keizo TAKAHASHI (Tokyo Metropolitan Government) gave presentations on "The Port and Prospects for Internationally Compounded Transport." Their presentations focussed on internationally diversified and compounded transport organizations and the rapidly changing port.

The port has become of economic and social interest as part of the urban function. At the 26th annual conference in Shimizu Port in 1987 six presenters: Gyo SUZUKI (Hiroshima National College of Maritime Technology), Norihisa YOKOUCHI (Nihon University), Manzo KANAI (Institute of Area Planning Architecture), Toyoharu TAMEKUNI (Institute of Area Planning Architecture), Katsuhiko KURODA (Kyoto University), and Takehiko KIMURA (Nagoya Port Authority) delivered presentations on the subject of "Redevelopment of the Coastal Zone and the Port." A deeply interesting point of their presentations was that they shared the same view of the necessity and tendency for the redevelopment of the coastal zone nation-wide and the importance of the port area as an urban function.

With the common theme of how hinterland issues become associated with growing port functions, the 27th annual conference was held at Asahikawa University in Hokkaido in 1988. In their presentations entitled "the Port and Hinterland," seven presenters: Yuzo IZUMI (Hakodate University), Fujio CHISUWA (Port City Institute of Information Service), Toru YAMAJYO (Nihon University), Ton Kon PAKU (Korea, Enko University), Manzo KANAI (Institute of Area Planning Architecture), Yoshihiko KITAHARA (Nanao Survey Drawing), and Masanori KUMASHIRO (Kumashiro System Design), pointed out that it was probably most necessary for port personnel to get involved in developing the hinterland. Their presentations provided a base for further study. Thus, besides an analysis of the hinterland, their presentations attracted the attention of the people attending.

The 28th annual conference was held in Kita-Kyushu Port in 1989 under the title of "The Port and a Changing International Economic Society", in connection with which advanced internationalization was focussed on. Six presenters there were Sachiko ENDO (Kawamura Gakuen Women's University), Toru YAMAJYO (Nihon University), Etsuko SHIBATA (Osaka City University), Gyo SUZUKI (Yokohama Harbor Polytechnic College), Manabu YAMAMURA (Meiji Gakuin University), and Takehiko KIMURA (Nagoya Port Authority), who spoke about the same subject. It seemed really important that they shared a perception of the necessity for proper measures to be taken by port management especially when the international distribution system and port environments were drastically changing due to higher containerization for transportation.

The waterfront issues have to be answered socio-economically along with advanced internationalization. The 29th annual conference was held at Kawasaki Port in 1990 on the theme of "Waterfront Development and the Port." Six presenters: Jae Ha KIM (Korea, Seiden University), Sachiko ENDO (Kawamura

Gakuen Women's University). Manabu YAMAMURA (Meiji Gakukin University), Yoji AMEMIYA (Toyama National College of Maritime Technology), Teruo KOBAYASHI (Kanto Gakuin University), Tadashi ASHIMI (Municipality of Osaka City) jointly with Kazuhiko SAKAKIBARA (Osaka Industrial University), and Toshiro KITAMI (Aoyama Gakuin University), reported on their studies on the theme. They touched upon regional trends in waterfront development and the cores of waterfront issues in an economic society.

The Association celebrated its 30th anniversary in Yokohama Port in 1991. Five presenters delivered presentations on "Yokohama Port - Issues and Prospects." They were Koichi MATSUHASHI (Yokohama Harbor Polytechnic College), Sachiko ENDO (Kawamura Gakuen Women's University), Manabu YAMAMURA (Meiji Gakuin University), Gyo SUZUKI (Yokohama Harbor Polytechnic College), and Yoshimi NAGAO (Nihon University). It should be noted that many participants agreed with the presenters, sharing the ideas they pointed out - basic problems embraced by the port industry and port-city integration are important issues to be studied for the further growth of the port of Yokohama. Along with the annual conference in Yokohama Port. Volume 30 of "Port Economic Studies," which features members' treatises was published in celebration of the 30th anniversary of the Association. twenty-four members have contributed study articles to the Association's organ. All the members are sure that the Association will continue growing.

Now let us look at other presentations at the Conferences.

Eight persons gave presentations at the 24th National Conference in 1985. They were Shoichi ABIKO (Tokyo Transport College), Shigemi HONDA (Aoyama Gakuin University), Yuzuru MIYATA (Mitsubishi Total Institute), Akira MORIGUCHI (Yokohama Port Harbor Training College), Manabu YAMAMURA (Meiji Gakuin University), Takao IRITANI (Osaka City University, Postgraduate), Yoshimi NAGAO (Kyoto University), and Yoshikazu KAWASAKI (Transport Ministry). Among their presentations, those gaining special attention were "Wage Structure for Laborers at Ports" jointly by Shigemi HONDA and Yuzuru MIYATA, and "Port Management in large Cities and Integrated Management Organs" by Takao IRITANI. It is hoped that further research will be made in the areas presented.

Eleven persons gave their presentations at the 25th National Conference in 1986. They were Masao SATO (Tokyo Metropolitan Government), Shozo TANAKA (Japan Marine Surveyors and Sworn 'Measurers' Association), Yoshinaga SAKAI (Chubu Women's College), Masatsugu TANIHATA (Tokyo Metropolitan Government), Sachiko ENDO (Ochanomizu Women's University, postgraduate), Fujio CHISUWA (Port City Information Service Co.), Kisaburo
ENOMOTO (Sea Transport Interpreter), Ton Kon PAKU (Korea, Enko University), Genichiro TAKAMI (Yokohama Port Economic Institute), Mitsunobu HIBINO (Nagoya Port Authority), and Kon Gi KIM (Korea, Seoul University). Such presentations as "Competitive Effects and X Efficiency" by Yoshinaga SAKAI, "Land Transportation and Change in Port Harbor Function" by Sachiko ENDO, and "Industrial Multinational Strategies and Port Harbors" by Mitsunobu HIBINO drew interest from among a large audience. "Competitive Effects and X Efficiency" was especially highly evaluated for the development of its really persuasive approach demonstrated in the research process and technique.

Seven persons gave presentations at the 26the National Conference in 1987. They were Takahiro MIYATA (Commercial Science Institute, Nippon University), Kwai Kyei AMOABENG (Hitotsubashi University, postgraduate), Sachiko ENDO (Ochanomizu Women's University, postgraduate), Shoichi ABIKO (Tokyo Transport College), Jae Ha KIM (Korea, Seiden University), Akio NAKAMOTO (Sasebo Municipal City), and Genichiro TAKAMI (Yokohama Port Economic Institute).

Such presentations as "Harbor Functions to Meet the Advance of International Compound Transportation", "Mechanization and Labor at Japanese Harbors" by Kwai Kyei AMOABENG and "Strategy for Port Management in Korea" by Jae HA KIM attracted attention for their very suggestive contents. "Mechanization and Labor at Japanese Harbors" was especially highly evaluated for pointing out useful issues in terms of demonstrative research based on the findings of questionnaires.

Six persons gave presentations at the 27th National Conference in 1988. They were Tamotsu TANI (Hamamatsu Information Technology School), Mitsunobu HIBINO (Nagoya Port Authority), Kon Gi KIM (Korea, Seoul University). Kei Su KAK (Tokyo Institute of Technology, postgraduate), and Shigeji MATSUURA (Aichi Gakuin University). Among them, those presentations which gained attention included "Effects Exerted by the Growth of New Container Operating Harbors upon the Zone behind Senior Container Operating Harbors" presented by Kei Su KAK. The demonstrative research of those presentations was seen to attract strong interest from among the audience, providing a political sort of issue toward the age of containerization. The area of containerization would require further research and development of containerization issues.

Seven persons gave their presentations at the 28th National Conference in 1989. They were Fujio CHISUWA (Hiroshima National College of Maritime Technology), Pellera (phonetic) V.I.D. J (Keio University, postgraduate), Shoichi ABIKO (Gunma Women's College), Kyon Dei KIM (Aoyama Gakuin University, postgraduate), Isao TOMITA (Yokohama Harbor Polytechnic College), Hideki YOSHIOKA (Hokkai Gakuen Kitami University), and Kensei SO (People's Republic of China, Bukan River Technological School). Among them, there were interesting presentations such as "Competition Over the Harbor Pricing Decision and Service Efficiency" by Pellera V.I.D. J. and "Assistance at Harbors and Harbor Management" by Kyon Dei KIM. The process of harbor pricing decisions and harbor management research are believed to be subjects that should be studied further in depth.

Six persons gave presentations at the 29th National Convention in 1990. They were Kyon Dei KIM (Aoyama Gakuin University, postgraduate), Fujio CHISUWA (Hiroshima National College of Maritime Technology), Koichi MATSUHASHI (Yokohama Harbor Polytechnic College), Mitsunobu HIBINO (Nagoya Port Authority), Isao TOMITA (Yokohama Harbor Polytechnic College), and Tamotsu TANI (International Informational Economic Technological School). One of the characteristic points of their presentations was that they focused on issue in connection with port harbor industry. In this sense, a variety of approaches to research on the port harbor industry can be expected in the future.

At the 30th National Convention in 1991, the thirteen persons mentioned below gave presentations, providing ample issues to celebrate the Association's 30th anniversary. It is hoped that port harbor research will be further deepened and advanced.

Fujio CHISUWA (Hiroshima National College of Maritime Technology), Ton Kon PAK (Korea, Enko University), Kensei SO (People's Republic of China, Bukan River Technological School), Kyon Dei KIM (Aoyama Gakuin University, postgraduate), Akio NAKAMOTO (Sasebo Municipal City), Masato MIMURA (Kanagawa University), Shoji HARIGAYA (Aomori Chuo College), Takehiko KIMURA (Nagoya Port Authority), Masato HORINO (Yokohama Harbor Polytechnic College), Tamotsu TANI (International Informational Economic Technological School) and Isao TOMITA (Yokohama Harbor Polytechnic College).

#### Isao TOMITA (Yokohama Harbor Polytechnic College)

#### JAPAN RISK MANAGEMENT SOCIETY

In 1978, 29 scholars headed by Professor Toshiaki KAMEI (Kansai University) had a meeting at Kansai University and on that occasion, the Japan Risk Management Society was founded. The Society's activity and publication of its journal (*Risk and Insurance Management*; JARMS *Report*) soon gained social recognition, and in November, 1984, the Society was officially recognized as registered learned association under Article 18 of the Law concerning Japanese Academic Councils.

Toward the second half of the 1980's, Japanese industry encountered new types of business risks such as financial crimes, blackmailing, trading friction, and the rising yen. Many advanced companies adopted the concept of risk management to develop specific contingency plans and risk management manuals in order to protect themselves against serious risks. The widely reported Glico-Morinaga case aroused keen attention of the news media, and as a result, the term "risk management" became common knowledge.

The concept of risk management was introduced for the first time in Japan by Hidetaka TAKAGI (The Non-life Insurance Institute of Japan) who published in 1957 a paper titled "A Glimpse of Risk Management in the United States" and by Professor Toshiaki KAMEI, who wrote "Introduction to Consideration of Business Risks" in 1961. Starting from 1975, a large number of works became available on the subject. These included translations of numerous books and articles on risk management, and the term came to be accepted in this country. Uncertainty over the future of the Japanese economy triggered by the oil crisis, diversification of business risks arising from pollution and product liability claims, growth of accidents in number and scale, emergence of country risks and other social changes were factors contributing to the public awareness.

Main and common discussion topics and contents in the annual conference of the Japan Risk Management Society for these ten years are summarized as follows:

#### (1) Function and scope of insurance management

Business is constantly surrounded by a large variety of risks. To survive as a going concern, it must walk on a tightrope which is the only way to achieve sustained growth. Thus, management is essentially an act of finding a balance between risks and opportunities, and continuing organized efforts to maintain production and sales on that precarious balance. A number of companies in fact fail to protect themselves and shut down. The purpose of risk management under these circumstances is to protect business against danger. Risks must be managed as an integral part of business strategy by a scientific approach. As the term "risk management" becomes popular, it starts to go its own way and many people tend to see it as profitable management knowhow, enough to ensure the well-being of enterprises. This is of course a big misunderstanding. Risk management is not offensive management aimed at growth and maximization of return, because it is defensive in nature and aimed at protection of business. It does not aspire to increase revenue and profit, but tries to reduce costs, especially those arising from risks, that are charged on income. It attempts to identify the risks and to control such risks so that they are manageable. Risk management is an activity for implementing and accounting for rational handling of risks.

These days, it is widely held that business is responsible to society. Social responsibility of private enterprises is discussed from various angles. Nevertheless, we believe that a company cannot fulfill its social responsibility unless it can survive, and that the first and most important responsibility of a company is to avoid failure, and this requires it to implement risk management and make sure that the business generates adequate return on investment.

In this respect, it is particularly important that revenue is sufficient to yield adequate return and that various risks are transformed into adequate costs. This requires in turn that the company must be able to respond effectively to a changing business environment, i.e., competition, political conditions, social environment, economy, and technology. It must weigh carefully its strengths and weaknesses, forecast what types of hazards could be critical in the anticipated future environment and what perils there will be, so that effective means to deal with these risks and perils are devised and implemented when necessary.

#### (2) Criminal risks of business and risk management

The business environment of today is very difficult, and risks are gaining in diversity as well as in scale. It is not rare that a single risk has turned out to cause serious damage to a company or even to result in bankruptcy. Examples of such risks are earthquake, fire, various liability claims and criminal acts. For this reason, management of these risks has become an object of critical management concern. These days, a company is exposed to a variety of crimes both within and outside of its organization, and very often it ends up as a victim. Consequently, the need for contingency planning is now widely recognized. Bank robbery, fraudulent insurance claims, computer crimes, misuse of credit cards, kidnapping for ransom, poison blackmail, and the like are increasing, of which the 1984 Glico-Morinaga case is a typical example. As a result, business organizations are now well aware of the importance of management of individual risks.

Management may attempt to handle the crime risk through several methods, including assumption, loss control, and insurance. Each of these methods is

deficient in some respect. The method of assumption may invite ruin. Loss control efforts tend to be haphazard and often ineffective. Insurance methods suffer from adverse selection, high costs, and gaps in protection because of narrow definitions of perils.

(3) Modern society and risk management

Anyone who has income or assets makes some effort to deal with the pure risks to which he or she is exposed. Thus, most of us are risk managers, responsible for protecting ourselves and our families against personal, property, and liability risks. Professionals who have this responsibility in organizations use the process of risk management. The significance of a risk to a person is influenced by his or her ability to bear any loss. A risk that is unimportant for a wealthy family or a large firm may be very significant for those with less financial strength. In addition to evaluating measures of severity and frequency, a risk manager will want to study dimensions of the entire probability distribution for each type of exposure, including measures of symmetry, expected value, and dispersions. Such measures of risk aid us in making risk management decisions.

The family risk manager must set objectives; identify exposures of the family's income, assets, and general welfare; evaluate those to implement the program; and review the program at regular intervals and whenever there is a significant change in the family's situation. The risk manager need not perform this function alone. A professional life-health insurance agent can help with the personal risks and a professional property insurance agent can do the same with regard to property-liability risks.

(4) Selection of the risk treatment device

It is important to examine some techniques for meeting the problem of risk. After identifying and evaluating exposures to risk, systematic consideration can be given to alternative methods for managing each exposure. The basic methods available for handling risks are: risk avoidance, risk retention, loss control, and risk transfer.

Risk avoidance means that a certain loss exposure is never acquired, or an existing loss exposure is abolished. The major advantage of avoidance is that the chance of loss is reduced to zero if the loss exposure is not acquired. In addition, if an existing loss exposure is abolished, the possibility of loss is either eliminated or reduced because the activity or product that could produce a loss has been abandoned. However, avoidance has two disadvantages. Firstly, it may not be possible to avoid all losses. Secondly, it may not be practical or feasible to avoid

the exposure.

Risk retention means that an individual or a business firm retains part or all of a given risk. Risk retention can be either active or passive. Active retention means that an individual is consciously aware of the risk and deliberately plans to retain all or part of it. It is used for two major reasons. Firstly, risk retention can save money. Insurance may not be purchased at all, or it may be purchased as a deductible. In either way, there is often a substantial saving in the cost of insurance. Secondly, the risk may be deliberately retained because commercial insurance is either unavailable or can be obtained only by the payment of prohibitive premiums. Risk can also be retained passively. Certain risks may be unknowingly retained because of ignorance, indifference, or laziness. This is often very dangerous if a risk that is retained has the potential for destroying a person financially. In summary, risk retention can be an extremely useful technique for handling risk, especially in a modern corporate risk management program. Risk retention, however, is appropriate primarily for high-frequency, low-severity risks where potential losses are relatively small. Except under unusual circumstances, an individual should not use the technique of risk retention to retain low-frequency, high-severity risks, such as the risk of catastrophic medical expenses, long-term disability, or a liability lawsuit.

Loss control activities are designed to reduce both the frequency and the severity of losses. Unlike the technique of avoidance of loss, loss control deals with an exposure that the firm does not wish to abandon. The purpose of loss control activities is to change the characteristics of the exposure so that it is more acceptable to the firm which wishes to keep the exposure but wants to reduce the frequency and severity of losses. Thus, loss control has two major objectives: loss prevention and loss reduction. Loss prevention aims at reducing the probability of loss so that the frequency of losses is reduced. Although stringent loss prevention efforts can reduce the frequency of loss control is to reduce the severity of a loss after it occurs. The goal of loss prevention and reduction is to reduce losses to the minimum that is compatible with a reasonable level of human activity and expense.

Risk transfer involves payment by one party to a risk bearer who agrees to assume a risk that the transferor desires to escape. Sometimes the degree of risk is reduced through the transfer process because the transferee may be in a better position to use the law of large numbers to predict losses. Insurance is one example of this phenomenon. In other cases, the degree of risk remains the same and is merely shifted from the transferor to the transferee for a price. Viewed as one of many risk management techniques, it is clear that there are some situations in which the purchase of insurance is the preferred way to manage a particular risk. However, there are other cases where alternative risk management tools are preferable. Rather, it should be considered as one of many potential techniques available through the risk management process. Noninsurance transfers refer to the various methods other than insurance by which a pure risk and its potential financial consequences can be transferred to another party. Some noninsurance techniques that are commonly used in risk management programs include contracts, leases, and hold-harmless agreements.

Often the wisest course of action is to use concurrently more than one method of handling a risk. For example, loss prevention and reduction methods can be used in conjunction with both retention and transfer of risks. Selecting the method of handling the risks that have been identified and evaluated as being important requires consideration of the ability to bear losses. Some risks must be avoided because they are unbearable for either financial or humanitarian reasons, and cannot be transferred or handled in other ways. Others may be small enough in terms of potential loss and sufficiently responsive to loss prevention and reduction measures to justify retention. The selection of appropriate risk management techniques is a dynamic problem. The best method for handling a particular exposure today may not be the best method a year from now because so many relevant factors change regularly.

#### (5) Business management and risk management

There are three types of risk management: insurance management-oriented, business management-oriented, and management strategy-oriented. The insurance management-oriented risk management is mainly used for handling of pure risks. Effective use of insurance constitutes the core of risk management, while prevention of accidents is considered as the preliminary step. Prevention of accidents involves protection from calamity and accidents such as fire, explosion, earthquake, theft, traffic accidents, product liability and the like, as well as promotion of safety and prevention of work-related accidents. The characteristics of insurance management-oriented risk management, therefore, change depending on the extent that non-insured risks are included in the management. At the same time, insurance coverage does not apply to some pure risks, and content of insurance management-oriented risk management must reflect measures to be taken for these types of risks. It is usually understood as a part of financial control. Financial control in itself is management of capital, funds and asset risks implemented for the purpose of safeguard of assets. It is based on the rationale typical to financial executives that physical risks are the most important of all business risks.

Business management-oriented and management strategy-oriented types deal

with all aspects of business risks, including pure and speculative risks. Insurance is not necessarily the crucial part of these approaches, because they are a mixture of all rational ways and means to be applied scientifically to reduce exposures of risks. Management of risks, according to these concepts, extends not only to individual departments or functional units but also to the overall management of the company as a whole. In other words, when management of risks is implemented on a department level, it constitutes business management-oriented risk management, while its implementation on the entire company makes it an element of management strategy.

At present, the business environment for most companies is becoming more severe. Uncertainty, discontinuity and opacity of environmental conditions are such that the survival of a company largely depends on its ability to adapt to the environment. Furthermore, as business casualties are gaining both in frequency and scale, business must have effective means of protecting itself, while it must meet its social obligation to stay as a going concern. A company today thus faces countless risks and it must continue operation on a delicate balance between risks and opportunities. Under these conditions, it is impossible for risk management to restrict itself to management of pure and well-defined risks with the emphasis on insurance. Obviously, however, we cannot write off insurance managementoriented risk management. It is an important element of business management and strategy for avoidance of risks at large.

#### (6) Internationalization of risk management

International corporations depend on international business. International business is affected by acts of foreign governments. Thus, exposure to political risk distinguishes international corporations from domestic corporations. Political risk exists not only in countries with an unstable political environment but also in a growing number of countries where there is a distrust of international corporations. The activities of some multinationals reflect unfavorably on all and may engender an anti-foreign investment climate. Political risk may be defined as the possibility of loss stemming from acts of government and other political organization or political acts by business or terrorists. The most serious exposure of loss arises from expropriation or confiscation of property, but losses may also arise from the imposition of trade barriers, foreign exchange controls, the cancellation of import-export licenses, and other actions. Political risk should be thought of as a peril rather than a unique loss exposure. Viewed in this way, all potential losses can be classified as property, net income, liability or personnel losses, and this classification system can be applied to international as well as domestic operations. Political risks may well be the most dynamic area of risk management in the next several years.

(7) History and future of risk management

Risk management has its roots in *Risikopolitik* in Germany during the 1920's, and insurance management which developed in the United States during the 1930's. In Germany, *Risikopolitik* started as a science to protect enterprises from rampant inflation and as a management approach for survival. In the United states, the Great Depression caused the development of insurance management as a means of business rationalization and cost control.

To be specific, risk management in the United States proceeded as business risk management to protect business. In the beginning, it was conceived as management of pure risks and insurance for insurable risks, but in due course, the concept was broadened to all aspects of business risk including speculative risks. As such, management of business risk became a scientific discipline, and to that extent, risk management exceeded the framework of financial management as a means of insurance against natural calamity to encompass all risks inherent in production, sales, finance, labor relations and other management aspects. It was necessary to understand risk management as ways and means to protect business from failure.

Management of non-insurable risks must deal with those for which protection by insurance is not available as well as those which make insurance uneconomical. It has to deal with a large variety of speculative risks. A problem which arises here is that mangement of speculative risks is a part of the ongoing activity of all organizational or functional units within an enterprise, and it is difficult to associate a particular organizational or functional unit to a specific risk management approach. For example, market research, sales promotion, advertisement, credit research, quality control, hedging and the like are all means of management of marketing risks, but none of them has any clear correspondence to actual and specific risks.

Although risk management is by now a well accepted concept and Japanese business has adopted it as a part of management strategy and practice, certain industries do not seem to have a correct understanding of risk management.

The conference of the Japan Risk Management Society held in September 1992 adopted the principles of risk management as the basic overall issue of discussion. The idea was to clarify the role of the insurance agent in risk management efforts and to study the concept of the management consultant in risk management programs.

Keiji HABARA (Kansai University)

### THE SOCIETY FOR THE STUDY OF SOCIAL POLICY

The studies which members of the Society have done are of wide variety, including topics of theories of social policy, methodology of study, trade union and industrial relations, wages, employment, hours of work, personnel management, immigrant workers, multinational companies, small businesses, social security and welfare, population problems, and gender relations. As it is impossible to sum up the total academic activities of the members in a short article, some controversies in their studies will be presented here.

The Society was established in 1896 by distinguished scholars of the time after the German Verein fur Sozialpolitik. Its aim was more practical than academic, to propose policy alternatives independently from the government. In the 1920's, however, contradictions between socialists and conservatives forced the Society to stop its activities till the breakup of imperial Japan.

1. The Okouchi theory and theories of particularity

After World War II, the Society was restarted in 1950. At the first conference of the new Society, fierce debates occurred around the Okouchi theory of social policy. Prof. OKOUCHI maintained that social policy is of capitalistic nature, while it often appears anti-capitalistic, protecting workers and restraining the power of capital as in the case of factory laws. He stressed the initiative of the state. His opponents, most of whom were militant socialists or communists, put forward the opposing opinion that social policy is a result of the labor movement. They regarded social policy as a concession given by capitalists.

Discussions were made mainly on the possibility of social improvement under a capitalist government. The debate was done in the midst of social turbulence with many big strikes and labor control over companies. For a couple of years just after the War, employers couldn't decide even personnel policy, as well as wage and labor conditions, without union consent. The Communists had a powerful influence upon the labor movement. Some people believed that a communist revolution was coming. That is why what is just a semantic problem in today's sense caused such great controversy.

It is, however, an interesting topic of methodology in the study of social policy: What is social policy? The discussions on the essence of social policy attracted even theorists of social science. It was one of the major controversies in the history of social science in Japan.

OKOUCHI defined social policy as an economic policy to protect the economic resource of labor power. He held that welfare policy is not a social policy because it is a policy for a non-labor force such as old or disabled people. However, today social security for the old is a major field of social policy. Secondly, while he maintained that social policy is made for producers, not for consumers, policies for the latter have often been seen in history.

TAKADA held that the Okouchi theory defined social policy too narrowly to give a good historical perspective or practical suggestions for social policy. He proposed the alternative definition that social policy is measures taken by the state to deal with social problems. He asserted that the definition is dynamic in that the actual state of the state and social problems decide the specific character of social policy.

OKOUCHI left another legacy to the study of social policy: It is precisely the legacy of the *Kouza* School of Marxist economics and history. OKOUCHI discussed Japanese peculiarities in industrial relations. He was pessimistic of the possibility of change in the peculiarities, as many intellectuals have been. The tendency continued till the end of the high economic growth period, when the Japanese economic catchup came near its end.

#### 2. Enterprise Unionism

The revolutionary situation didn't last long. After the Korean War the Japanese economy began to grow rapidly. Industrial relations laws and social security laws were enacted, and the basic structure of social policy completed. A younger generation of scholars learned American theories on labor economics and industrial relations, proclaiming "from social policy to labor economics." Most of the scholars specializing in social policy had learned German theories.

The new generation made vast empirical studies concerning trade unions, the labor market, standard of living, and social welfare. They sought to find Japanese peculiarities of social policy and social conditions. One of the major findings was seniority-based employment relations and enterprise unionism. These Japanese characteristics were found through comparison with western models, which were built not from first-hand knowledge but mainly from books on British or American industrial relations.

Many intellectuals thought after World War II that Japanese society should have been modernized. They expected leadership from the working class and trade unions in modernization. Japanese enterprise unionism, however, sought economic security, rather than shop control, and was more willing to accept management than American or European unions. It was bitterly criticized by many scholars, because they believed that unionism should have been based on an industrial bases, not at the enterprise level, and that unionism should have more confronted than cooperated with management. Japanese unions organized whitecollar employees, who would be promoted to mangers, as well as blue-collar workers.

Historical studies also had a similar tendency. Historians of social policy and the labor movement concentrated on the study of leftist unions, considering why the leftist movement couldn't gain a majority. Some authors, however, analyzed the origins of rightist unionism and works councils which laid the foundations of the enterprise unionism.

The origins of enterprise unions are not clear. Some authors found the origin in works councils established by management. Others stressed the influence of the Sangyo-Hokokukai (Associations for Contribution to the State through Industry), holding that they were their direct fore-runner. The Associations were established in the 1930s as fascist labor organizations, taking the place of trade unions which were forced to dissolve. They were company-based organizations. Anyway, while Japanese labor unions before World War II were not always company based, unions after the War emerged as enterprise unions.

Recent studies held that post-war unionism tried to promote production for the recovery of the Japanese economy and society. Unionism controlled or had a voice in wide areas of management including personnel and production. OKOUCHI already held the same discussion about 40 years ago. He called it "productionist unionism." While unionism made violent attacks on the management, it was sensitive to economic growth.

When management counterattacked against militant unionism in the late 1950s, unions were split into two: cooperative unions which sought economic security through conciliation, and militant ones who tried to keep control over the management. The former were called "second unions," the latter "first unions." Clashes between the two ended in the victory of the former. Union members chose economic security over union control over management. Cooperation unionism was also keen on the matter of production.

"The Three Principles of Productivity" proclaimed by the Japan Productivity Center are a symbol of the cooperation unionism in Japan. The Center was a tripartite organization to promote productivity, established under the assistance of the US government as a part of the Marshall Plan. The principle declared improvements in living standards through productivity growth, which could be made by investment and new machines. Furthermore, the fruit of growth must be shared among management, labor, and the public.

Cooperation unionism was established in the high economic growth period. Management devised a new style of personnel management, stimulating workers' initiative in production. Quality circles and other small group activities were typical examples. They became popular in the 1970s. This "participative management" was another topic of controversy. Does it really provide workers with the opportunity for participation in management and initiatives? Is it another kind of exploitation?

KUMAZAWA energetically discussed the matter of participation or exploitation. He found two kinds of quality circles: one mainly for improvement of production, the other for improvement of workers' welfare as well as of production. He praised the latter because of its participatory nature.

NITTA analyzed labor management relations in the steel industry, holding that quality circles function as training and development of labor. He stressed the positive nature of small group activities.

Quality circles led workers to extension of work or "job enlargement." Workers were sometimes trained to do multiple jobs. If needed, workers would help co-workers in different jobs. Transfer is easier under the system than under rigid division of labor. It has been often praised as a flexible work system.

ITO made intensive researches on work assignments in engineering shops, finding blue-collar workers even did the work usually done by engineers.

#### 3. Japanese-style Management

The blurred division of labor is not only seen between blue-collar and whitecollar employees, but also seen among white-collar workers. Japanese managers have usually had two or three different kinds of job, for example sales and personnel. A generalist type of career is common among Japanese managers. They are frequently transferred.

TAKADA named the Japanese style of personnel management the pressure vessel model. When they are employed by a company they are usually not informed of the job they will do. Only after initial training will their jobs be decided. And they will experience a generalist career. In this way, they are trained as company men, not as professionals or specialists. Their identification rests on their companies, not on their professions or jobs.

As mentioned above, these white-collar employees are also organized in the same unions as manual workers. It is not unusual that top management have been union officers. This is the basis for Japanese-style management. The origin of this management style is not clear, but it was not common before World War II. It was promoted by the post-war unionism which demanded equal status for all employees in common, instead of a white-collar elite.

In more generalized terms, Japanese enterprises have well organized internal labor markets. The internal labor market is a common feature of modern firms worldwide. Kazuo KOIKE thus held that the seniority system which is thought of as a basic feature of Japanese-style management is a historical characteristic common in advanced economies with deep internal labor markets. He did research on internal labor markets in the United States, finding common features with the Japanese.

That was important and epoch-making work in studies relating to social policy. Before him, most scholars had made a structural analysis of their subjects. Many sought to find structural differences between Japan and western countries. But KOIKE, starting his career with a study in labor economics, saw functional equivalents common to Japan and the United States. His works appeared in the 1970s, at a time when the Japanese economic had grown to rival western economies. The intellectual concerns turned from Japanese backwardness to the background for economic growth. KOIKE's theory was timely for seeing the rationality and generality of the Japanese system. He also analyzed the function of the Japanese internal labor market to find that skill formation is the core of the Japanese system.

Recently he has gone ahead to assert that the seniority system is the common essence of personnel management both in Japan and the States or Europe. It is questionable, because Japanese-style management has different principles of personnel management as its US or European counterparts.

TAKADA found through case studies of Japanese transplants or offices abroad that managerial staff working for Japanese companies are managed in western style, different from managers working for the same companies in Japan. There are differences in style or principles of recruitment, salary, promotion, education, career, and even structure of firm, especially power of personnel division. Functionally, western internal labor markets are not so well established as the Japanese one. It is too much to say that Japanese and western internal labor markets are just same. Anyway, however, KOIKE's contribution was great in that he set a common ground for analyzing both Japanese and western industrial relations and personnel managements.

4. Feminism and Individualization of Social Policy

1985 is the year when the women's equal employment opportunity law was enacted. Though the curve of labor force participation for women is still Mshaped, average length of service of women has been getting longer, and employment opportunities have grown. The birth rate has been decreasing,too. The government tries to encourage companies to give assistance to working mothers.

However, government policy for women still focuses on women as housekeepers. They are given tax exemptions and pension rights without no extra contribution. And companies pay family benefit to employees with a spouse earning less than a certain amount of money. Female part-timers are anxious not to earn more than the limit. This hinders a greater supply of female labor.

Some specialists argue that the present policy of a family-centered social security and taxation system should be changed. They think that tax exemptions for a spouse without full-time work should be abolished, and that all the programs should be designed on an individual base. The government should support the financial independence of women.

Others propose training and career development for part-timers. They think of the considerable numbers of part-timers as a stable labor force who don't want to be full- timers due to family responsibilities. A career ladder and pay increases through OJT should be essential. Their opponents argue that it is a kind of exploitation of the work force who have limited opportunity to work.

There are many kinds of feminism including the Marxist, liberal, and ecological. In social policy liberal feminism is dominant, promoting equal opportunity for men and women. It is essential for women to get equal opportunities that family responsibilities should be shared equally. Recently child care leave for at least one year is stipulated by law for both men and women. Some companies give family care leave. Shorter hours of work and longer vacations are still needed for men to share more family responsibility.

Recently death from overwork has been hotly discussed. Hours of work had been stagnant after the oil shock, and then began to decrease slowly. The present economic slump will promote and then decreases in working time because companies have less aggregate man-hours and want to reduce the cost of overtime pay. The 1990s will see more leisure, and more females working. The division of social roles between males and females will be gradually changed.

(Kazuo TAKADA, Hitotsubashi University)

#### SOCIO-ECONOMIC HISTORY SOCIETY

For many years the best explanation of Japan's modernization was that when the Japanese encountered the Western civilization symbolized by the arrival of the "black ships" in 1853 led by Commodore Perry, they regarded that civilization as superior to their own and promptly set about assimilating it. There is no doubt that this event marked a major turning point in Japanese history. However, recent research by members of our society\* has shown a conspicuous change in interpretation of Japanese economic history. Because of limited space, this essay is to introduce a few of the results, highlighting the new interpretation of the economic history particularly of the Tokugawa period (1603-1868).

\* The Socio-Economic History Society (1930-). An introduction to the Society is found in the following two articles which appeared in this Bulletin, nos. 1 & 5: Yoshio ANDO "Development of Economics and Economic Societies in Japan" and Ken'ichiro SHODA "The Development of Socio-Economic History in Japan."

The first to be noted is Akira HAYAMI, et al. eds., *Nihon Keizaishi*, 8 vols. (*Economic History of Japan*, Tokyo: Iwanami Shoten, 1988-89), to which more than seventy scholars contributed. The first two volumes deal with the Tokugawa period, entitled "The Emergence of Economic Society" and "The Start of Economic Growth" respectively; these titles themselves are challenging enough against the prevailing stereotyped perception of "stagnant feudal society under the Tokugawa regime." Dozens of contributors to these two volumes refrained from using even the term "feudal," and pointed out that certain developments in the Tokugawa period provided Japan with a foundation that, in several aspects, was well suited to later development. Scholars looked more favorably on the *sakoku* period. According to these contributions, the true start of Japan's modern economic growth should be moved back to the eighteenth century. In conjunction with that, *sakoku*, the policy of isolationism, has been gaining a reputation as a system that worked to facilitate Japan's later industrial growth.

The second work to be cited is Takeshi HAMASHITA and Heita KAWAKATSU, eds., *Ajia Koekiken to Nihon Kogyoka 1500-1900*, Tokyo: Libro Port Publishing, 1991. This is a compilation of papers and comments presented at the annual conference of our society in 1989, shedding another new light on the interpretation of Japan's industrialization. The success of Japanese economic development is so far understood in a context of a catch-up-

with-the-West process. Altogether, seventeen contributors, mostly belonging to the post-war generation, however, presented a new and fresh picture that it was a process of catching up with the Chinese hegemony and eventually overtaking it during the course of four centuries from 1500 to 1900. What took place during that period is that Japan upgraded its position from periphery to center in the East Asian economic sphere. At the beginning of the period Japan was apparently a backward economy, which was demonstrated by the outflow of precious materials from Japan and inflow into the country of Chinese manufactured goods such as cotton textiles, porcelains, silk and silk fabrics. Facing the heavy burden of payment in silver or copper to China, she gradually transformed her capability to produce them for herself, introducing technology directly or manuals from China. In this way Japan succeeded in stopping the outflow of money by copying and substituting all imports such as cottons, silks, sugar, porcelain, etc. with her own products, and became completely self-sufficient well before the end of the Tokugawa period\*. The opening of ports in East Asia in the 19th century, forced by the Western powers, made it possible for East Asian countries to engage in "free trade" with the West. What is overlooked, however, is that free trade took place among Asians, too. This intra-Asian trade inevitably brought about severe intra-Asian competition, particularly between Japan and China, resulting in a new division of labor between them, where Japan now emerged as the main supplier of manufactured goods while China was a recipient.

\* This thesis was presented to the 9th International Economic History Congress (Bern, 1986) on the theme, "The Emergence of a World Economy": Heita KAWAKATSU "The International Competition in Cotton Goods in the Late Nineteenth Century: Britain versus India and East Asia," and Kaoru SUGIHARA "Patterns of Integration into the World Economy, 1880 - 1913," both in Wolfram FISCHER et al. eds., *The Emergence of a World Economy 1500 - 1900*, Stuttgart: Steiner, 1986.

The above works and others are now accepted by Japanese economic historians as a challenge to the thesis of European expansion into Asia. As BRAUDEL demonstrated in his celebrated works, the structure of everyday and material life in Europe changed conspicuously during the historical course from the 15th to the 18th century (BRAUDEL, *Civilization and Capitalism*, English translation, London, 1981). A series of goods like cotton, sugar, tea, coffee, and porcelain emerged as necessities in the life of the British and other Europeans; much of the demand for the new goods was satisfied by imports

form Asia, and they were paid for mainly with precious metals, which, in turn, came from the new world. The payments imbalances became so serious that for instance the British government banned the import of Indian calico at the beginning of the eighteenth century and when this failed to produce the desired effect, it banned the use of the fabric two decades later. Then, in the second half of that century, inventors such as James Hargreaves, Sir Richard Arkwright, and Samuel Crompton devised and perfected spinning machines, enabling England to produce its own cotton fabrics. In this example, it took about a century for the English to respond fully to a trade problem. Needing a replacement for textiles imported from Asia, they came across cotton plants in the Americas, perceived that they could provide an alternative source of raw materials, and eventually devised spinning machines capable of copying the Indian calicoes and muslins. In this light, the process of the industrial revolution in England was, to a large extent, the process of developing domestic textiles as a substitute for imports from India. Here we can see that the revolution was directed against one of the old Eurasian civilizations. It was a production revolution that undercut the need for imports and thereby strengthened England's economic independence.

While Europe was experiencing a transformation in its material life in food, drink, dress, demography and family structure, energy and technology, money and so on, the Japanese material life too was being transformed, acquiring new goods from the so-called "East Indies" and also from the New World. Just when cotton, sugar, and porcelain were becoming daily necessities in Europe, Japan was also importing these products, and they touched off a lifestyle revolution not unlike in Europe. The revolution was not, as in Europe, based on mechanization of the means of production, but it did involve various "new combinations" in a Schumpeterian sense. Akira HAYAMI notes that instead of experiencing an industrial revolution, Japan in the Edo period went through an "industrious revolution." His meaning is that in combining the factors of production (land, labor, capital), Japan opted for a different mix from that employed in the West. The factor endowment in the West, where labor was scarce relative to other factors of production, made it sensible to maximize labor productivity with capital-intensive production. But the conditions in Japan, where land was scarce relative to labor, made it more logical to increase productivity with labor intensive production. Neither of these two ways of combining factors of production was inherently superior to the other. Both represented the best choices given the respective endowments of economic resources. The driving force which made Europe and Japan revolutionize their production system at about the same time was attributed to the need to attain independence economically from the older Asian civilizations. More specifically, both Japanese and Europeans became acquainted with new goods such as cotton, sugar, silk, tea and porcelain, but both found that the imports caused a depletion of their precious metals. To staunch this outflow, both worked out new combinations of the factors of production. In this reading of history, a new proposition which has emerged from recent works is that the Japanese seclusion in the Tokugawa period was motivated by the same kinds of factors that brought about capitalism in Europe. The economic growth of Japan in the Tokugawa period was moving in tandem with the evolution of European civilization.

The study of economic history in Japan has certainly entered into an exciting phase, which is clearly demonstrated by the steady increase in membership of the society in the last decade from 1,018 in 1982, to 1,098 in 1987, and 1,167 in 1992.

(Heita KAWAKATSU, Waseda University)

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#### List of Member Associations

1992

### THE JAPAN ACCOUNTING ASSOCIATION 日本会計研究学会

#### Established: 1937

- Number of Members: 1,654
- · President: Tetsuya MORITA (Hitotsubashi University)
- · Publication: Monthly bulletin, Kaikei (Accounting)
- · Liaison Office of the Japan Accounting Association
- c/o Moriyama Co., Hayashi Building,

1-10, Nishiki-cho, Kanda, Chiyoda-ku, Tokyo 101, Japan

The next annual meeting will be held at Kobe College of Commerce from September 30 to October 2, 1993.

#### THE AGRARIAN HISTORY SOCIETY 土地制度史学会

- Established: 1948
- Number of Members: 1,005
- · Representative Director: Kanji ISHII (The University of Tokyo)
- Publication: Tochi Seido Shigaku (The Journal of Agrarian History) —quarterly
- Agrarian History Society
  - c/o Institute of Social Science, The University of Tokyo,
    - 7-3-1, Hongo, Bunkyo-ku, Tokyo 113, Japan

The next annual meeting will be held at The University of Kyushu on October 9-10, 1993 with some topics of European economic history as the main theme.

#### THE AGRICULTURAL ECONOMICS SOCIETY OF JAPAN (Formerly: THE AGRICULTURAL ECONOMIC SOCIETY OF JAPAN) 日本農業経済学会

- · Established: 1924
- Number of Members: honorary 29, regular 1,091, associate (students) 85, cooperative 24
- · Chairman: Toshio KUROYANAGI (Hokkaido University)
- Publication: Bulletin of the Society, Nogyokeizai Kenkyu (Journal of Rural Economics)—quarterly
- The Agricultural Economics Society of Japan c/o Business Center for Academic Societies of Japan,

5-16-9, Honkomagome, Bunkyo-ku, Tokyo 113, Japan

The next annual meeting will be held at Tottori University on April 3-4, 1993 with the symposium "The Problem of Labor Force and Management Systems of Japanese Agriculture."

#### JAPAN SOCIETY FOR APPLIED MANAGEMENT (JSAM) 実践経営学会

- Established: 1967
- Number of Members: 768
- · President: Takatsugu NATO (Tokyo International University)
- Publication: *The Practice of Management* (Nos. 1-24) "News Letter" twice a year
- Japan Society for Applied Management (JSAM)
  c/o Professor Toshimasa YOKOZAWA
  Faculty of Business Administration, Asia University
  5-24-10, Musashisakai, Musashino-shi, Tokyo 180, Japan
  The next meetings will be held at Teikyo University in June and Hokkaido
  Joho (Information) University in fall, 1993.

#### THE JAPAN ASSOCIATION FOR ASIAN POLITICAL AND ECONOMIC STUDIES アジア政経学会

- Established: 1953
- Number of Members: 740
- · President: Tatsuo YAMADA (Keio University)
- Publication: Asian Studies—quarterly
- · Japan Association for Asian Political and Economic Studies
- c/o Professor Tomoyuki KOJIMA
  Department of Policy Management, Keio University
  5322 Endoh, Fujisawa, Kanagawa 252, Japan
  The next annual meeting will be held in November, 1993.

The next annual meeting will be held in November, 1995.

#### JAPAN AUDITING ASSOCIATION 日本監査研究学会

- · Established: 1978
- Number of Members: 415
- President: Masa'atsu TAKADA (Kobe University)
- Publication: Monograph, Research Series—once a year Modern Audition—semi-annual journal
- Japan Auditing Association c/o Faculty of Business Administration, Kobe University,
  - 2-1, Rokkodai-cho, Nada-ku, Kobe 657, Japan

The next annual meeting will be held at Chuo University on June 5-6, 1993 with the symposium "The Problems of Risk Approach and Auditing Standards."

### JAPAN SOCIETY OF BUSINESS ADMINISTRATION 日本経営学会

- · Established: 1926
- Number of Members: 1,974
- · President: Moriyuki TAJIMA (Hitotsubashi University)
- Publication: Keieigaku Ronshu—once a year
- · Japan Society of Business Administration
  - c/o The Institute of Business Research, Hitotsubashi University,
    - 2-1, Naka, Kunitachi, Tokyo 186, Japan

The next annual meeting will be held at Wakayama University in the fall of 1993.

#### THE JAPAN BUSINESS ENGLISH ASSOCIATION (JBEA) 日本商業英語学会

- Established: 1934
- Number of Members: honorary 1, regular 213, supporting 7: total 221
- President: Etsuo SHIMIZU (Kansai University of Foreign Studies)
- Publication: Nihon Shogyo Eigo Gakkai Kenkyu Nempo (The JBEA Annual Studies)—once a year
- The Japan Business English Association
  - c/o Professor Etsuo SHIMIZU
    - Department of Foreign Languages,
    - Kansai University of Foreign Studies,
    - 16-1, Kitakatahoko, Hirakata, Osaka 573, Japan

The next annual meeting will be held at Nagoya Gakuin University on October 30-31, 1993.

# BUSINESS HISTORY SOCIETY OF JAPAN 経営史学会

- Established: 1964
- Number of Members: personal 747, institutional 50
- · President: Hidemasa MORIKAWA (Keio University)
- Publication: Japan Business History Review—quarterly
  - Japanese Yearbook for Business History---annually
- Business History Society of Japan c/o Professor Eisuke DAITO
  - No. 711, Faculty of Economics, The University of Tokyo,
  - 7-3-1, Hongo, Bunkyo-ku, Tokyo 113, Japan

The next annual meeting will be held at Doshisha University on November 13-14, 1993.

### JAPAN SOCIETY OF BUSINESS MATHEMATICS 日本経営数学会

- Established: 1959
- Number of Members: 124
- President: Yoshio IIHARA (Nanzan University)
- Publication: Annual Report of Japan Society of Business Mathematics
- Japan Society of Business Mathematics
  - c/o Professor Yoshio IIHARA, Nanzan University
    - 18, Yamazato-cho, Showa-ku, Nagoya 466, Japan

The next annual meeting will be held at Gakushuin University on June 12-13, 1993

#### JAPAN SOCIETY OF COMMERCIAL SCIENCES 日本商業学会

- · Established: 1951
- Number of Members: honorary 7, ordinary 742, supporting companies 10
- President: Yoshihiro TAJIMA (Gakushuin University)
- · Publication: Journal of Japan Society of Commercial Sciences-annually
- · Japan Society of Commercial Sciences

Kenkyu-to Building, Meiji University,

1-1, Kanda Surugadai, Chiyoda-ku, Tokyo 101, Japan

The next annual meeting will be held at Aichi University in May, 1993.

#### JAPAN SOCIETY FOR COMMODITY SCIENCE 日本商品学会

- · Established: 1935
- Number of Members: regular 268 including 11 foreigners, supporting 4
- · Chairman: Ryojiro IWAKI (Chiba Commercial College)

• Publication: Quarterly bulletin, Shohin Kenkyu (Studies on Commodities)

- · Japan Society for Commodity Science
  - c/o Hitotsubashi University,
    - 2-1, Naka, Kunitachi, Tokyo 186, Japan

The next annual meeting will be held at Seinan Gakuin University on May 15-16, 1993 with the symposium "The Problems of Today and the Influence of Formation Mechanisms on Commodities."

#### JAPAN ACADEMY FOR CONSUMPTION ECONOMY 日本消費経済学会

- · Established: 1971
- Number of Members: 328
- · Chief Representative: Shigeru NISHIMURA (Takushoku University)
- · Publication: Annals of the Japan Academy for Consumption Economy
- · Japan Academy for Consumption Economy
  - c/o Faculty of Commerce, Takushoku University,
    - 3-4-14, Kohinata-cho, Bunkyo-ku, Tokyo 112, Japan

The next annual meeting will be held at Hannan University on June 17-19, 1993 under the theme "Current Problems on Consumer Issues."

#### THE SOCIETY OF ECONOMIC SOCIOLOGY 経済社会学会

- Established: 1966
- · Number of Members: 310
- · President: Yoichi UTSUMI (Osaka Gakuin University)
- · Publication: The Annals of the Society of Economic Sociology
- · The Society of Economic Sociology
  - c/o Professor Masaki ADACHI Faculty of Economics, Kobe University
    - Rokkodai-cho, Nada-ku, Kobe, 657, Japan

The next annual meeting will be held at Kibi International University on

September 18-19, 1993 with the symposium "Power and Market."

#### THE SOCIETY FOR THE HISTORY OF ECONOMIC THOUGHT 経済学史学会

- Established: 1950
- Number of Members: 808
- President: Toshihiro TANAKA (Kwansei Gakuin University)
- Publication: The Annual Bulletin of the Society for the History of Economic Thought The History of Economic Thought Society Newsletter
- · The Society for the History of Economic Thought
  - c/o Professor Toshihiro TANAKA
    - School of Economics, Kwansei Gakuin University,
    - Nishinomiya 662, Japan

The next annual meeting will be held at Kanazawa University on November 6-7,

1993 with the symposium "History of Japanese Economic Thought."

## THE JAPAN ASSOCIATION OF ECONOMICS AND ECONOMETRICS 理論・計量経済学会

- Established: 1947
- Number of Members: 2,070
- · President: Akihiro AMANO (Kobe University)
- Publication: The Economic Studies Quarterly
- The Japan Association of Economics and Econometrics c/o The Institute of Statistical Research,
  - 1-18-16, Shimbashi, Minato-ku, Tokyo 105, Japan

The next annual meeting will be held at Hosei University on October 16-17, 1993.

# THE JAPAN ASSOCIATION OF ECONOMIC GEOGRAPHERS 経済地理学会

#### · Established: 1954

- Number of Members: 720, patronage members: 10
- · President: Motosuke ISHII (Meiji University)
- Publication: Keizai Chiri Gaku Nempo (Annals of The Japan Association of Economic Geographers)—quarterly
  - The Japan Association of Economic Geographers
  - c/o Division of Economic Geography,
    Faculty of Economics, Hitotsubashi University, East Bldg.,
    2-1, Naka, Kunitachi, Tokyo 186, Japan

The next annual meeting will be held at Meiji University on May 29-30, 1993 with

the symposium "Society and Space."

#### JAPAN ECONOMIC POLICY ASSOCIATION 日本経済政策学会

- Established: 1940
- Number of Member: individuals 1,222, institutional 4
- · President: Taketoshi NOJIRI (Osaka Gakuin University)
- Publication: Nippon Keizai Seisaku Gakkai Nenpo (The Annals of the Japan
- Economic Policy Association)—annually
- Japan Economic Policy Association
  - c/o Department of Economics, Kobe University,
    - 2-1, Rokkodai-cho, Nada-ku, Kobe 657, Japan

The next annual meeting will be held at Keio University on May 29-30, 1993 with the symposium "A New Socio-economic System of Japan—A Perspective for

the 21st Century."

### JAPAN FINANCE ASSOCIATION 日本経営財務研究会

• Established: 1977

- Number of Members: 449
- · President: Rinya SHIBAKAWA (Hitotsubashi University)
- Publication: The Annual Report of the Japan Finance Association—annually
- Japan Finance Association

c/o Faculty of Business Administration, Kobe University,

2-1, Rokkodai-cho, Nada-ku, Kobe 657, Japan

The next annual meeting will be held at Aichi University on October 9-10, 1993.

#### JAPAN ACADEMY FOR FOREIGN TRADE (JAFT) 日本貿易学会

- · Established: 1960
- Number of Members: 354
- · President: Yoshio SAITO (Chuo Gakuin University)
- Publication: The Annual Bulletin of the Japan Academy for Foreign Trade. JAFT News—twice yearly
- · Japan Academy for Foreign Trade
- c/o Professor Ryohei ASAOKA

School of Commerce, Waseda University,

1-6-1, Nishiwaseda, Shinjuku-ku, Tokyo 169-50, Japan

The next annual meeting will be held at Kobe City University of Foreign Studies on May 21-23, 1993 with the symposium "International Trade in the New Development of International Relations."

#### THE JAPANESE SOCIETY OF INSURANCE SCIENCE 日本保険学会

- Established: 1940
- Number of Members: honorary 6 including two foreigners, ordinary 1,034 including 27 foreigners, supporting organizations 65
- · Chairman: Tatsunori SUZUKI (Waseda University)
- · Publication: Journal of Insurance Science (Hoken-gaku Zasshi)-quarterly
- The Japanese Society of Insurance Science
- c/o The Lift Insurance Association of Japan,

3-4-1, Marunouchi, Chiyoda-ku, Tokyo 100, Japan

The next annual meeting will be held at Kobe University of Commerce on October 16-17, 1993.

### JAPANESE ASSOCIATION FOR INTERNATIONAL ACCOUNTING STUDIES 国際会計研究学会

#### • Established: 1984

- Number of Members: 433
- · President: Kiyomitsu ARAI (Waseda University)
- Publication: Kokusai Kaikei Kenkyu Gakkai Nenpo (Annual Report of Japanese Association for International Accounting Studies)
- · Address: Professor Kiyomitsu ARAI
  - School of Commerce, Waseda University

1-6-1, Nishiwaseda, Shinjuku-ku, Tokyo 169-50, Japan

The next annual meeting will be held at Waseda University on July 3-4, 1993 with

the symposium "Cooperation on the Standard Setting between Japan and U.S.A."

#### THE JAPAN SOCIETY OF INTERNATIONAL ECONOMICS 国際経済学会

- Established: 1950
- Number of Members: individuals 1,141, corporate 21
- · President: Kiyoshi IKEMOTO (Kobe University)
- Publication: Kokusai-keizai (International Economy)-annually
- The Japan Society of International Economics
  - c/o Professor Kazuhiro IGAWA
    Research Institute for Economics & Business Administration,
    Kobe University
    - 2-1, Rokkodai-cho, Nada-ku, Kobe 657, Japan
  - The next annual meeting will be held at Osaka City University in October 1993,

Definite period and topics to be discussed are not yet decided.

NIPPON ACADEMY OF MANAGEMENT EDUCATION 日本経営教育学会

- Established: 1979
- · Number of Members: individual 762, corporate 21
- · Representative Manager: Masao OSUGA (University of Electro Communications)
- Publication: Annals of the Nippon Academy of Management Education,
  - published by the administrative office of the Academy
- Nippon Academy of Management Education
  - c/o Yamashiro Keiei Kenkyujo
    - 4-8-4, Iidabashi, Chiyoda-ku, Tokyo 101, Japan

The next annual meeting will be held at Meijigakuin University in July, 1993.



# THE ACADEMY OF MANAGEMENT PHILOSOPHY 経営哲学学会

- · Established: 1984
- Number of Members: 293
- · Representative Manager: Mamoru SANO (Aichi Gakuin University)
- Publication: Keiei Tetsugaku Ronshu (The Annual Report of the Academy of Management Philosophy)
- The Academy of Management Philosophy
  - c/o Keieikanri Jisshu-shitsu, Aichi Gakuin University,
    - 12 Araike, Iwasaki, Nisshin-cho, Aichi-ken, 470-01, Japan

The next annual meeting will be held at Aichi Gakuin University in September, 1993.

#### THE JAPAN SOCIETY OF MONETARY ECONOMICS

#### 金融学会

- Established: 1943
- Number of Members: 931
- · President: Toshiya HANAWA (Hitotsubashi University)
- Publication: Bulletin of the Japan Society of Monetary Economics-biannually
- · Japan Society of Monetary Economics
  - c/o Toyo Keizai Shinpo-sha,

1-2-1, Hongoku-cho, Nihonbashi, Chuo-ku, Tokyo 103, Japan

The next annual meeting will be held at the University of Tokyo on June 5-6, 1993.

### THE ACADEMIC ASSOCIATION FOR ORGANIZATIONAL SCIENCE 組織学会

- · Established: 1959
- Number of Members: individual 1,218, company 33
- · President: Yasuo OKAMOTO (Aoyama Gakuin University)
- Publication: Organizational Science—quarterly
- Academic Association for Organizational Science c/o Keiei Kenkyujo,

1-36, Kanda Jimbo-cho, Chiyoda-ku, Tokyo 101, Japan

The next annual meeting will be held at Gakushuin University on June 26-27, 1993

#### JAPAN SOCIETY FOR PERSONNEL AND LABOR RESEARCH 日本労務学会

- Established: 1970
- Number of Members: 698
- · Representative Director: Kyoichi FUTAGAMI (Waseda University)
- · Publication: Annual Report of Japan Society for Personnel and Labor Research
- · Japan Society of Personnel and Labor Research
- c/o Professor Kyoichi FUTAGAMI,
  - School of Commerce, Waseda University,
  - 1-6-1, Nishiwaseda, Shinjuku-ku, Tokyo 169-50, Japan

The next annual meeting will be held at Kumamoto University of Commerce in June 1993 with the unified theme "Restructuring in the Labor Market and Globalization of Japanese Business Enterprises."

#### JAPAN ASSOCIATION FOR PLANNING ADMINISTRATION 日本計画行政学会

- Established: 1977
- Number of Members: 1,288
- · President: Hiroshi KATO (Keio University)
- · Publication: Planning Administration-biannually
- · Japan Association for Planning Administration
  - c/o The Institute of Statistical Research,
    - 1-8-16, Shimbashi, Minato-ku, Tokyo 105, Japan

The next annual meeting will be held at Tokyo Institute of Technology in September

1993 with the symposium "Philosophy Policy and Technology for Sustainable Development."

#### JAPAN SOCIETY OF POLITICAL ECONOMY 経済理論学会

- Established: 1959
- Number of Members: 1,032
- · Chief Representative: Mitsuhiko TSURUTA (Chuo University)
- Publication: The Annual Bulletin of the Society of Political Economy-annually
- · Japan Society of Political Economy
  - c/o Professor Mitsuhiko TSURUTA, Chuo University,
    - 742, Higashinakano, Hachioji-shi, Tokyo 192-03, Japan

The next annual meeting will be held at The University of Tokyo on October 23-24, 1993.



#### THE POPULATION ASSOCIATION OF JAPAN 日本人口学会

- Established: 1947
- Members: 360, honorary 4, special 3
- · President: Hidehiko HARA (Seijo University)
- · Publication: Jinkogaku Kenkyu (The Journal of Population Studies)
- Population Association of Japan
  - c/o Institute of Population Problems,

Ministry of Health and Welfare,

1-2-2, Kasumigaseki, Chiyoda-ku, Tokyo 100, Japan

The next annual meeting will be held at Tohoku Fukushi University on June 4-5, 1993 with the symposium "Aging and Welfare."

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JAPAN PORT ECONOMICS ASSOCIATION 日本港湾経済学会

- Established: 1962
- Number of Members: 350
- Representative Manager: Toshiro KITAMI (Aoyama Gakuin University)
- Publication: Kowan Keizai Kenkyu Nenpo (The Annual Report of the Japan Port Economics Association)
- · Japan Port Economics Association
  - c/o Yokohama Yamashita-Futo Kowan Kosei Center
    - 279-1, Yamashita-cho, Naka-ku, Yokohama 231, Japan

The next annual meeting will be held in Nagasaki on October 21-23, 1993

with the symposium "South-Eastern Economic Developments and The Roles of

#### Kyushu Area Ports and Harbors.

### THE JAPAN INSTITUTE OF PUBLIC FINANCE (Formerly, JAPANESE ASSOĆIATION OF FISCAL SCIENCE) 日本財政学会

- Established: 1940
- Number of Members: 643
- · Chairman: Takehisa HAYASHI (Ryutsu Keizai University)
- · Publication: Annual Report of the Japanese Association of Fiscal Science
- The Japan Institute of Public Finance
  - c/o The Institute of Statistical Research,
    - 1-18-16, Shimbashi, Minato-ku, Tokyo 105, Japan

The next annual meeting will be held at Fukuoka University on October 15-16, 1993.

# THE JAPAN SOCIETY OF PUBLIC UTILITY ECONOMICS 公益事業学会

- Established: 1949
- · Number of Members: regular members 387, corporation members 75
- · Chairman: Tomoji ICHINOSE (Ishinomaki Senshu University)
- Publication: Journal of Public Utility Economics
- Koeki Jigyo Gakkai (The Japan Society of Public Utility Economics)
  c/o 1-12-31, Minamiaoyama, Minato-ku, Tokyo 107, Japan.
  The next annual meeting will be held at Outemon Gakuin University on June 4-5, 1993.

#### THE JAPAN SECTION OF THE REGIONAL SCIENCE ASSOCIATION INTERNATIONAL 日本地域学会

- Established: 1962
- Number of Members: 563
- · President: Hirotada KOHNO (University of Tsukuba)
- Publication: Studies in Regional Science—the Journal of the Japan Section of RSAI (Chiikigaku Kenkyu in Japanese) Vol.22, No.1 &No.2—annually
- The Japan Section of the Regional Science Association International
  - c/o Professor Hirotada KOHNO, Institute of Socio-Economic Planning, Tsukuba University,
    - Tsukuba, Ibaraki 305, Japan

The next annual meeting will be held at Aoyama Gakuin University on the last third of October, 1993.

#### JAPAN RISK MANAGEMENT SOCIETY

日本リスクマネジメント学会

- Established: 1978
- · Number of Members: individual 451, supporting 37
- · Representative Management: Toshiaki KAMEI (Kansai University)
- Publication: JARMS Report (Risk and Insurance Management)
- · Society for the Study of Risk Management
  - c/o Professor Toshiaki KAMEI
    - School of Commerce, Kansai University,
    - 35-3-3, Yamate-cho, Suita-shi, Osaka 565, Japan

The next annual meeting will be held at Senshu University on September 25-26, 1993.

# THE SOCIETY FOR THE ECONOMIC STUDIES OF SECURITIES 証券経済学会

- Established: 1966
- Number of Members: 480
- · Representative: Yoshio KUMANO (Senshu University)
- Publication: Annals of the Society for the Economic Studies of Securities-annually
- · Society for the Economic Studies of Securities
- c/o Japan Securities Research Institute,
  - Tokyo Shoken Kaikan,
  - 1-5-8, Nihonbashi-Kayabacho, Chuo-ku, Tokyo 103, Japan

The next annual meeting will be held at Senshu University in May, 1993.

# THE ASSOCIATION FOR THE STUDY IN SOCIALIST ECONOMIES 社会主義経済学会

- Established: 1967
- Number of Members: 223
- · Chief Representative: Minoru NAGASUNA (Kansai University)
- Publication: Bulletin of the Association for the Study in Socialist Economies annually
- · Association for the Study in Socialist Economies
  - c/o Assistant Professor Satoshi MIZOBATA

Kyoto University,

Yoshida-honmachi, Sakyo-ku, Kyoto 606-01, Japan

The next annual meeting will be held at Hokkaido University on May 28-29, 1993 with the symposium "The Tasks of the Transition Comparative Study of Russia,

Eastern Europe and China."

# THE SOCIETY FOR THE STUDY OF SOCIAL POLICY 社会政策学会

- · Established: 1950
- Number of Members: 860
- · Representative Manager: Yuji KATO (Senshu University)
- Publication: Shakai-Seisaku Gakkai Nenpo (Annal of the Society for the Study of Social Policy)
- Society for the Study of Social Policy
  - c/o Professor Yuji KATO

Faculty of Economics, Senshu University,

2-1-1, Higashimita, Tama-ku, Kawasaki, Kanagawa 214, Japan.

The next annual meeting will be held at Senshu University on May 10-11, 1993

with the symposium "Theory of Social Policy Revisited."

# SOCIO-ECONOMIC HISTORY SOCIETY 社会経済史学会

- Established: 1930
- Number of Members: 1,161
- Representative Director: Akira HAYAMI (International Research Center for Japanese Studies)

- · Publication: Shakai Keizai Shigaku (Socio-Economic History)-bimonthly
- · Shakai Keizaishi Gakkai (Socio-Economic History Society)
  - c/o Professor H. KITO
    - Sophia University,
    - 7, Kioicho, Chiyoda-ku, Tokyo 102, Japan

The next annual meeting will be held at Aoyama Gakuin University on October 16-17, 1993.

#### JAPAN STATISTICAL SOCIETY 日本統計学会

- Established: 1931
- Number of Members: 1,321
- · President: Kiyoshi TAKEUCHI (Ishinomaki Senshu University)
- · Publication: Journal of the Japan Statistical Society-biannually
- · Japan Statistical Society
  - c/o The Institute of Statistical Mathematics,
    - 4-6-7, Minami-Azabu, Minato-ku, Tokyo 106, Japan

The next annual meeting will be held at Kanazawa University on July 21-24, 1993.

#### JAPAN SOCIETY OF TRANSPORTATION ECONOMICS 日本交通学会

- · Established: 1941
- Number of Members: 366 regular including 8 advisory (individual) and 43 special (corporations)
- · President: Haruya HIROOKA (Hosei University)
- Publication: Kotsugaku Kenky" (Annual Report on Transportation Economics)
- The Japan Society of Transportation Economics (Nihon Kotsu Gakkai)
  - c/o Unyu-Chosa-Kyoku,

7-1-1, Ueno, Taito-ku, Tokyo 110, Japan

The next annual meeting will be held at Rissho University in October, 1993.

### NIPPON URBAN MANAGEMENT RESEARCH ASSOCIATION 日本地方自治研究学会

- · Established: 1984
- Number of Members: individual 264, group 6
- $\cdot$  Representative Manager: Hiroshi YOSHIDA (University of Marketing and

Distribution Science)

• Publication: Journal of Urban Management Research (Annals of Nippon Urban Management Research Association)

Nippon Urban Management Research Association

7-20, Minami-Ogimachi, Kita-ku, Osaka 530, Japan

The next annual meeting will be held at the University of Marketing and Distribution Science on September 10-11, 1993.

New Membership 1992

# JAPAN LOGISTICS SOCIETY 日本物流学会

· DATE OF ESTABLISHMENT: 1 June, 1983

· OBJECTIVE:

The comprehensive study of logistics management

• NUMBER OF MEMBERS:

individual 267, corporate 19

• REPRESENTATIVE:

Masao UNO (Waseda University)

• ANNUAL MEETINGS:

Nation-wide meeting once a year (The next annual meeting will be held at Senshu University on July 28-30, 1993.)

• PUBLICATIONS:

The Annual Report of the Japan Logistics Society and Journal of the

Logistics Society published by the administrative office of the society.

· ADDRESS:

JAPAN LOGISTICS SOCIETY

c/o Professor Osamu NISHIZAWA

School of Commerce, Waseda University,

1-6-1, Nishiwaseda, Shinjuku-ku, Tokyo 169-50, Japan

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