



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

INFORMATION BULLETIN OF THE UNION OF NATIONAL ECONOMIC ASSOCIATIONS IN JAPAN

This Information Bulletin is designed to serve as an introduction of the academic activities of member associations of the Union to the economic societies throughout the world. The copies will be distributed by the secretariat of the Union to economists and societies in other countries whose names have been given by the member associations of the Union.

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INFORMATION BULLETIN

The publication of The Information Bulletin is part of a program, aimed at promoting international exchanges of economic studies, commemorating in 1981 the 30th anniversary of the establishment of the Union of National Economic Associations in Japan, when the first issue of The Information Bulletin appeared.

The purpose of The Bulletin is to introduce all over the world the development of Japanese economic studies. We would be most pleased if The Bulletin will assist every sort of academic societies and institutions throughout the world in becoming familiar with the economic studies in Japan. It would also be our pleasure if economic researches in Japan, introduced in The Bulletin, could interest scholars abroad and thus contribute to the advancement of economic studies in other countries.

The Information Bulletin No.6, 1986, provides records of the papers given, and the discussion taken place, at the latest annual meetings of Japanese economic associations during the past academic year of 1985 — 1986. Included in The Bulletin is a special article, entitled THE COMING OF AN AGE OF ACCOUNTING IN JAPAN. Finally, as an appendage to The Bulletin, a list of the member associations, containing relevant organizational information, is presented.

The Information Bulletin is an annual publication, with each annual issue being completed in March of each year. A copy will be sent, with compliments of the Union, to universities, economic research institutions and scholars who are connected to the member associations, throughout the world.

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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 was established in 1950, as a sole nationwide federation of associations of scholars and experts on economics, commerce, and business administration. In order to obtain membership to the Union, an association is subject to a strict examination of its academic activities. As of 1985, the Union had a membership of 34 associations as in the table of contents. Inclusion of a recent entrant to the Union, JAPAN AUDITING ASSOCIATION, brings the total membership for 1986 to 35 associations.

The aims and objectives of the Union are to support scholarly activities of its member associations and to promote academic exchanges both among members themselves, and between Japanese and overseas academic societies. The main activities of the Union are: (1) the publication and distribution of academic materials concerning Japanese economics and papers presented by member scholars, (2) the sending of member scholars to overseas conferences, (3) holding and supporting of international conferences in Japan, (4) providing financial assistance to member associations inviting foreign scholars to Japan, 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 dispatched 30 member scholars to the Sixth World Congress of the IEA held in Mexico in 1980. And most recently, the Union and the International Institute of Public Finance jointly held the Institute's 37th Congress at Tokyo in September 1981. The Union in collaboration with the IEA sponsors a Tokyo Round Table Conference on 'Institution in a New Dynamic Society' to be held on 15 - 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. In editing The Bulletin Mrs. E.O.A. Checkland at Cambridge, England, has been assisting us by giving suggestions and correcting English, and we are most grateful to her for her kind co-operation.

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THE COMING OF AGE OF ACCOUNTING IN JAPAN

Kyojiro SOMEYA*

I

In so far as people can own and control wealth and engage in economic activity, there will always be a need for adequate and proper accounting. This is as true in the East as it is in the West. In the middle age, Japanese merchants, for example, employed their own unique brand of bookkeeping known as the “daifukucho”, or “ledger of good fortune”. However, with the introduction of western bookkeeping methods in the 1800s, this uniquely Japanese style of account keeping was gradually replaced and it eventually disappeared altogether.

The year 1873 is generally regarded by accounting historians as the starting point in the modernization of Japanese business accounting. In June of that year the first volume of Yukichi Fukuzawa's *Choai no ho* (lit. methods of Bookkeeping) was published, and in December a translation of *Bank Bookkeeping* by the Englishman, Alexander Allan Shand, appeared. Also December 31 of that year marked the end of the First National Bank's first fiscal period, and Japan's very first financial report was prepared according to Shand's bookkeeping methods. It should be noted that in 1973 the Japan Accounting Association (JAA) celebrated the centennial of modern accounting in Japan with series of lectures and other events.

Fukuzawa's *Choai no ho* was in fact a translation of H.B. Bryant and H.D. Stratton, *Common School Bookkeeping*, New York, 1871. In the following years there appeared several other translations and Japanese works based upon European and American bookkeeping texts. It was in this manner that Western bookkeeping methods were introduced into Japan and they gained rapid acceptance. Japanese authors quickly entered the field. Several bookkeeping textbooks appeared including those by Nobuhisa OHHARA (Ohhara Bookkeeping School), Zensaku SANO (Tokyo Commercial High School which was later upgraded to Tokyo Commercial College), Sekigoro HIGASHI (Kobe Commercial High School), Ryoza YOSHIDA (Waseda University, who later moved to Tokyo Commercial College). Some ran through several editions before 1910.

Japan's first commercial code was enacted in 1890, that section which dealt with companies became effective in 1893. Although it was revised in 1899, this code is the predecessor of the commercial laws in effect today; and in those regulations the original pattern for current existing regulations pertaining to commercial books, company accounting and other financial accounting related matters can be seen. It was a continental system of financial reporting, centering around the inventory and the balance sheet, which was introduced and which dominated the accounting scene in Japan. In explaining what items ought to be included on the inventory and the balance sheet, and how they are to be priced or evaluated, the pronouncements of Keijiro OKANO (Tokyo Imperial University, the predecessor of the present Tokyo University), Joji MATSUMOTO (also, Tokyo Imperial University) and other professors of law were influential.

Ryozo YOSHIDA's *Kaikei-gaku* (study of accounts) was published in 1910, the first book to use the term "Kaikei-gaku". Other authors used terms such as "Keiri-gaku" (study of general rules of accounting) and "Keisan-gaku" (study of computation). In the *Kokumin Keizai Zasshi* (Journal of Economics and Business Administration) for 1915 Seijiro KANO (Tokyo Commercial High School) asserted that "Keiri" was in fact the most appropriate translation of the word "accounting", and the ensuing argument between him and Shigeo NAKAMURA (Meiji University) is well known. The matter was effectively settled in 1913 when the Kobe Society of Accounting used the word "Kaikei" in its title, and so did the Japan Society of Accounting (JSA) founded in 1917 by Naotaro SHIMONO, Sekigoro HIGASHI, Ryozo YOSHIDA and Shigeo NAKAMURA. These could be no further argument when the JSA began publishing its periodical under the title of Kaikei (i.e. *Accounting*). In 1929 the Third International Congress on Accounting was held in New York with Sekigoro HIGASHI, Naotaro SHIMONO and Seitaro SUYAMA (Osaka Commercial College) as the first Japanese to be delegates at this important international gathering. Their presence reflects not only an increased interest in works on auditing, cost accounting and financial analysis but also the research which was beginning into balance sheet value theory and Schmalenbach's concept of a dynamic balance sheet.

II

The financial statements of any business enable decisions concerning business operations, capital investments, loans etc. to be made. Financial statements serve as essential reference sources in grasping the overall operating results and immediate financial position of any business entity. As people come to realize their importance, the setting of standards for financial reporting becomes a fundamental concern for accounting research.

In 1930 the Ministry of Commerce and Industry created a Special Department for the Rationalization of Industry, and within it set up a Committee on Financial Management. Japan, like other nations, was feeling naturally the effects of worldwide depression, and industry was depressed. Rationalization as a means of relieving the depression was the first order of concern for the Ministry, and financial statement standardization was governmently urged to assist in the process. The Committee on Financial Management, after four years of deliberation, proposed a draft standard for the balance sheet, the inventory and the income statement. After soliciting opinions from relevant government departments, various economic organizations in the private sector, major banks and businesses, scholars and other concerned parties, the committee decided on its Standard Procedures for Financial Statements (SPFS) in 1934.

SPFS set the general standards that businesses were to follow in the preparation of their financial reports. Because of its enlightened nature, and because it was explained and discussed in many text books on accounting, the SPFS contributed much to later developments and progress in the field of accounting. Several of the important scholars of the day including Ryozo YOSHIDA, Tetsuzo OHTA (Tokyo Commercial College, the predecessor of the present Hitotsubashi University) and Sekigoro HIGASHI had been

involved in its preparation, and it became and remained customary for scholars from the accounting field to be included in the decision-making process concerning the various standards pertaining to business accounting.

Yasubei HASEGAWA's (Waseda University) *Studies in Budgetary Control* was published in 1930, followed by Eiichi FURUKAWA's (Yamaguchi Commercial High School, who later moved to Hitotsubashi University) *Budgetary Control* in 1933 and Rintaro AOKI's (Kansei Gakuin University) *Management Accounting* in 1936. In 1937 the Japan Accounting Association (JAA) was founded by Ryozo YOSHIDA, Tet-suzo OHTA, Kinzo SAMBE (Keio University), Gen MURASE (Tokyo Commercial College), Seiichi OKADA, Yoshio WATANABE (Higashi-Watanabe Accounting Firm), Yasubei HASEGAWA, and Kiyoshi KUROSAWA (Yokohama Commercial High School, the predecessor of the present Yokohama National University). The Japan Society of Accounting (JSA), founded in 1917, supported approximately 1000 members at this time. Most of its members were either owners or managers of businesses, or worked in accounting departments or as professional accountants. Accounting scholars were a small minority in the Society. JAA as distinct from JSA was intended for accountants in the academic world.

Although the actual war in the Pacific did not start until December 1941, Japan's economy had been a war-time basis from the mid-1930s. Both people and materials were mobilized for the war effort. The National Comprehensive Conscription Act was enacted in 1938; and based upon this, various regulations were passed and put into effect. The army and the navy demanded that military suppliers employed acceptable standards of cost accounting, and submitted reports on production, product cost, and finance. They also themselves conducted official inspections of finished goods and of all relevant books. The army and the navy introduced their own set of rules, which were mandatory, for those companies with which they were involved. All their cost sheets, balance sheets and income statements had to be submitted for inspection. Later these complex rules were examined by the Committee for Unification of Various Financial Rules established within the Cabinet Planning Board, and in 1941 this committee presented its Uniform Rules for Manufacturing Industry Cost Accounting (RMICA). In the same year, separate drafts for the balance sheet, the inventory and the income statement procedures were announced for industrial firms. If the Ministry of Commerce and Industry's intervention to rationalize accounting procedures in 1934 is considered as Stage I then the Cabinet Planning Board's plans for standardization of the financial statements in 1941 must be taken as Stage II. Stage II failed to produce any finalized procedural standards for the various financial statements, but through actual application of RMICA in various factories, certainly this period saw a rapid development of the cost accounting systems, as well as enormous advances in cost accounting research.

III

With the end of the war in 1945 Japan's economy was completely shattered. But as in any age, scholarship will remain itself and go on; by 1946 some universities had resumed publication of their official journals and bulletins, which carried papers on ac-

countancy. Annual meetings of JAA, discontinued during the war, resumed again in 1948.

As is well known, for several years following the war Japan was under American occupation. The American occupational forces insisted on breaking up the Zaibatsu, or large family-owned industrial conglomerates, and most companies released their common stock to the public. In 1948 the Securities and Exchange Act (SEA) was passed, modeled after the American Securities Act of 1933 and Securities Exchange Act of 1934. A Certified Public Accountants Law was passed in the same year, and in 1949 the first CPA examination was given. In this way CPA auditing according to clause 193 of the SEA got underway in 1951. But before this, in 1949, the Investigation Committee on Business Accounting, Economic Stabilization Board published as a tentative statement its Principles of Business Accounting — otherwise known as financial Accounting Standards for Business Enterprises — together with Standard Procedures for Financial Statements (SPFS). Again in 1950, Auditing Standards and Standard Auditing Procedures were published. Principles and Auditing Standards were written into the laws by the Ministry of Finance and other related government organs.

Accounting scholars, including such talented individuals as Michisuke UENO (Tokyo University), Tetsuzo OHTA, Kiyoshi KUROSAWA, Iwao IWATA (Hitotsubashi University) and Koichi SATO (Waseda University) played a substantial part in preparing the Principles and Auditing Standards which soon became the standard text. Because the Principles introduced ideas such as surplus and a current operating performance concept of income, with which Japanese accountants were not familiar, there followed a rapid blossoming of research into these areas.

The Commercial Code was amended in 1950, and in addition to introducing authorized capital stock for stock companies, it also recognized the issuing of non-par value stock. In 1962 the definition of deferred assets was expanded and a clause concerning allowances was introduced. A Ministry of Justice statute was put into effect in 1963, setting the method in which items are to be listed on the balance sheet and income statement of stock companies. Some amendments were made in both Statutes and the Principles of Business Accounting to bring consistency to the whole system.

In postwar Japan the production of goods could not keep pace with demand and inflation was rampant. An Asset Revaluation Law was passed in 1950, which carried out its work in a series of three steps. Inflation accounting, where assets are valued at replacement or current cost, emerged as a major topic of accounting research. Business rationalization was an important concern in getting the national economy back on its feet, and the Investigation Committee on Rationalization of Industry, Ministry of International Trade and Industry published its Guideline for Internal Control of Businesses in 1951. Profit planning aimed at the realization of business goals, profit management by product, market or other segments, cost management and other challenges of management accounting joined the ranks as important topics in accounting research. Cost accounting, financial analysis, budgetary control and other areas of research were gradually incorporated into the concept of management accounting.

IV

The system for financial reporting for businesses in Japan is backed by the Commercial Code and the Securities and Exchange Act, but in order to improve the system of financial disclosure including its auditing these laws undergo revision from time to time. Recent research in accounting has been partially carried out with a view towards possible application in such statute revisions.

The Commercial Code now stipulates that the balance sheet and income statement submitted by company directors at the general shareholders' meeting be audited by a statutory auditor, but does not stipulate that this auditor be a certified public accountant. Because of this, a law making special provision for the auditing requirement of the Commercial Code was enacted in 1974 for the purpose of strengthening the auditing of large companies. According to this law the balance sheets and income statements of companies having a capital stock of 500 million yen or over, or with total liabilities of 20,000 million yen or over, must be audited by a *kaikei kansanin* (CPA) in addition to the audit by the statutory auditor. In 1982 the Ministry of Justice regulation determining the form of balance sheet and income statement of stock companies was revised to require disclosure of (1) significant accounting policies pertaining to the preparation of these statements, and (2) significant subsequent events, that is to say, important facts relating to the financial situation of the company arising after the end of the fiscal term. The auditing system of the Commercial Code and the system for financial disclosure are therefore two important areas of concern in recent accounting research.

It was for a long time customary in Japan for business financial statements to be prepared individually for each entity or business as defined by law, and no such thing as consolidated financial statements existed. However, with revision of the Ministry of Finance law in 1976, and taking effect in 1977, it is now required that consolidated financial statements be included among the documents attached to the securities report filed with the Minister of Finance as stipulated in the Securities and Exchange Act. Again, in the past, many major businesses in Japan operated on the basis of a six month fiscal period. The reason for this was that the Commercial Code did not allow dividend payments to shareholders without first ascertaining net income after closing the accounts. With the 1974 revision of the Commercial Code, however, interim dividend payments became permissible, and subsequently virtually all businesses now operate on a one year fiscal basis. The SEA requires that companies operating on one year fiscal terms submit semi-annual reports to the Minister of Finance, and hence the role of the interim financial statements included in such reports has come to be of prime importance. Disclosure procedures for consolidated and interim financial statements eventually made their appearance in the financial disclosure system of the SEA, and further research in these areas is now indicated.

Japan has traditionally taken a keen interest in the accounting theory and practices of other countries, and in recent years such interest has gathered momentum. A number of research projects are underway pertaining to United States FASB accounting standards and concepts, IASC International Accounting Standards, the United Nations Commission on Transnational Companies, EC directives concerning company law and

other such regulations and practices in financial reporting that have been developed abroad, as well as research into the probable harmonization of accounting standards on an international level. In October 1987 the Thirteenth World Congress of Accountants will be held in Tokyo, and the Sixth International Conference on Accounting Education will be held in the same month in Kyoto. The Japanese Institute of Certified Public Accountant is busy in preparation for the former, while JAA is hard at work getting ready for the latter. By playing host to such prestigious international gatherings, we can expect that accounting research in Japan will take on an even greater international flavor.

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THE JAPAN ACCOUNTING ASSOCIATION

The Japan Accounting Association held its 44th Annual Convention, attended by 825 members, on June 13-16, 1985, under the sponsorship of Kwansei Gakuin University. The Special Committees presented reports in a meeting at the Kobe Conventional Center. Meanwhile, at Kwansei Gakuin University, meetings were held for the presentation of free-theme reports; the reports by Study Groups; and unified-theme reports; and also an open lecture, and a round-table discussion for the unified theme were held there. At the open lecture, Professor George J. STAUBUS (University of California at Berkeley) gave a lecture, "Challenged Facing Accounting in America".

Reports, presented by the Special Committees were: "Problems of Contemporary Cost Accounting" (chaired by Masaki MIYAMOTO, Osaka University) and "Studies in the Institutional History of Financial Statements" (chaired by Kiyoshi KUROSAWA, Yokohama National University).

Other reports, presented by Study Groups, were: "Studies on Statement of Changes in Financial Position" (headed by Nobuo KAMATA, Nanzan University); "Studies in Segment Accounting" (headed by Kazuaki SUEO, Kwansei Gakuin University); and "Studies in Basic Accounting Concepts" (headed by Yasuichi SAKAMOTO, Osaka Gakuin University).

The common theme for the unified discussion was "Extention of Accounting Information", and at three divisional meetings, lively discussions ensued.

1) Under the sub-theme of "Extention of Accounting Information and Financial Accounting", reports were presented as follows:

Saburo KURATA (Matsuyama Commercial University) proposed the extention of financial accounting information with his report, "The Introduction of Fund Statement". KURATA suggested that the information on the traditional financial statements seems to possess limits or defects as the criteria for (1) the prediction of future dividends; (2) the prediction of future reserve requirement; and (3) the economic development of enterprises. He suggested, therefore, that fund statements should be introduced into the traditional statement system, in consideration of the (1) relevancy with book-keeping theory; and the (2) relevancy with profit concept.

Yoshihito KAKO (Ryutsu Keizai University) presented his report, "Extention of Financial Accounting Information, and Disclosure of the Effects of Changing Prices". He stated that various problems must be settled prior to the introduction of Price-Level Change Accounting into the current financial accounting which is characterized as 'Historical Cost Accounting'. KAKO emphasized, in his report, the importance of disclosing promptly information concerning the effects of changing prices on business finance. He believed that it would be appropriate to disclose the financial information on the price level change, as 'supplementary information', while firmly maintaining the financial statements under the historical cost accounting, as the basic financial statements. He commented that the two factors should be utilized as bilaterally cooperative and mutually supplemental information.

Shonosuke SHIRATORI (Seijo University) reported on “Tasks and Limitations of Financial Reporting”, suggesting financial reporting should conduct periodic income determination which is connected to income distribution, and regarding both the stock and flow, to expand consecutively the information-providing range to meet the needs of users. But he pointed out that, in such capacity, there are various problems such as (1) the extension is confined mainly to the information of flow; (2) it is difficult to extend in a way to meet the users’ individual needs of diversified information; (3) since it takes too much time to set up a rule for supporting financial accounting information, it may be hard to catch up promptly with the information needs of users; and (4) there exists a fundamental difficulty in the extension for providing future information.

2) Under the sub-theme of “Extension of Accounting Information and Management Accounting”, reports were presented as follows:

Shuzo IIDA (Okayama University) presented his report, “Management Accounting Information and Social Accounting”, and debated mostly value-added management accounting. He said that value-added accounting would be most useful in the compilation of accounting information, concerning the socio-economic contribution of value creation (productivity) and the social achievement distribution of created value (distribution). He insisted that value-added accounting information is qualified as a criterion for pluralistic performance evaluation, grouped by company levels or divisions, and it would be useful as the accounting information in various management fields, such as labour management (personnel) and financing.

Yasuhiro MONDEN (University of Tsukuba) gave his report, “Management Accounting as Decision Support System”. He remarked that the information system of management accounting is essentially a decision support system. Characteristically, he utilized the systems of individual or period planning, as insisted at the AAA in the past, in explaining the relevancy of such decision support system with the grouped data base, and the system structure from the viewpoint of general-purpose and individual decision models. Furthermore, he referred specifically to the simulation system of the comprehensive profit plan, as a decision support system for the ‘period plan’ (or ‘comprehensive plan’).

Kiyoshi OGAWA (Waseda University) gave his report, “Extension of Accounting Information and Evaluation of Performance”. He said that the value-added information would help disclose the results of a business entity; the invested elements which contributed to bringing about the results; and how they are allocated for the fairness of society. He insisted that, by calculating the efficiency of each element, it would be possible to develop, simultaneously, the design of a system for the performance evaluation concerning how it would be colligated with overall results.

3) Under the sub-theme of “Extension of Accounting Information and Auditing”, reports were presented as follows:

Yoshimasa TOMOSUGI (Mie University) presented his report, “Extension of Financial Accounting Information and Auditability”. He said that the extension of accounting information in the supplementary account statements and notes is under the application of current audit procedures, and the audit can be enforced, as it is regarded to be in the

sphere of 'extended audit'. But it will be limited to the audit technique of questioning and analysis, and he insisted that, since the review, which does not conduct the 'collation of records and facts', is not up to the assurance level of the current audit, it should not be considered as the 'extended audit' sphere (extension of audit concept).

Yoshihide OBA (Senshu University) presented his report, "Extension of Accounting Information and the Logic of auditing". He expressed his opinion that auditors should not be understood, in a limited sense, simply as evaluators of the quality of financial statements, but, by providing them with explanatory information concerning financial statements, should rather be recognized as commentators who raise the usefulness of financial statements. With such awareness of the matter, TOBA presented his private plan on the style of audit report, reflecting his new view of auditors and their possible roles.

Komajiro TAKADA (Seinan Gakuin University) gave his reports, "On the Extension of Conditions of Fair Presentation Accompanying the Extension of Accounting Information". He particularly referred to the uncertainties and subsequent events, among the ones which came to be included in the auditing standard as a result of the extension of the accounting information and how they are related to the opinions of auditors, and whether there may exist any problems in the regulations of the current audit standard concerning these two factors.

Hirohisa MASUTANI

THE AGRARIAN HISTORY SOCIETY

The Agrarian History Society consists of four sections. They are economic theory, current economic analysis, economic history of Japan and foreign economic histories. Although the Society holds many local meetings, the Spring Symposium and the Autumn Conference are the Society's main national meetings. Recently the Society has been attempting to co-ordinate the Spring Symposium and the Autumn Conference to promote a greater understanding of the main theme under discussion. In 1985 the group studying foreign economic history was in charge and chose the topics to be discussed. They wished to discuss currency and gold standard systems of the advanced capitalist economies from the end of the nineteenth century to the inter-war period.

1985 Symposium

The Spring Symposium of 1985 was held at the University of Tokyo on 29 June. The discussion was on "The Collapse of the International Gold Standard System". Hiroshi FUJISE (Nagoya University) and Junko NISHIKAWA (Tokyo Metropolitan College of Commerce) acted as chairpersons. Yasuo GONJO (Yokohama National University), who read the first paper, reviewed the clashes and conflicts of the 1930s which occurred when the U.K., the U.S. and France were trying to settle the world currency problems. GONJO argued that it was under the hegemony of the United States that economic and financial problems were dealt with in the 30s. As to the reason why France clung to the gold standard until as late as 1936, GONJO pointed out that the traditional interpretation which emphasized the role played by the interest of *rentier* should be revised and corrected, making it clear that it was only for a period during which the depression in France was not acute but slowly aggravating that the interest of *rentier* could be politically defended.

Yutaka MAKINO (Otsuki College of Economics), with the second paper, discussed the maturing process of the Bretton Woods Agreement mainly from the viewpoint of American economics. After analyzing who supported and who opposed it and what alternatives were presented in the controversy, MAKINO concluded as follows. First, in the post-war monetary System, IMF started as a mechanism of international balance of payments adjustment on the assumption that the United States would provide the world with international liquidity. It was in fact an international system in which the U.S. dollar would work as if it were on equal terms with gold. We can therefore take the so-called IMF system essentially as the "gold/dollar standard" system with IMF within itself. Second, the United States was as a result of the mechanism released from its duty to maintain the value of dollar at par and from the constraint of the gold to some extent. Within this framework the United States could expand its currency supply undeterred by the liquidity problem and through this device sustain the post-war reconstruction and economic growth of the U.S. and of other advanced countries.

The 1985 Annual Conference

The Society held the Annual conference at the Hitotsubashi University on 26 and 27 October. The second day was dedicated to the main theme, "Capital Export in the Period of pre-and post World War I". The conference was presided over by Kenzo MOHRI (University of Tokyo), Osamu YANAGISAWA (Tokyo Metropolitan University) and Kanji ISHII (University of Tokyo) and the following three papers were presented there. (1) "Britain's Capital Export and the Pound Sterling System before World War I" by Tatsumi INOUE (Otaru College of Commerce), (2) "Russia's Capital Import before World War I" by Shota ITOH (Fukushima University), and (3) "The United States' Capital Export during the 1920s" by Kanae SAITOH (Chuo University).

At the beginning of the meeting, Akihiko YOSHIOKA (Tohoku University) explained why the theme had been chosen on behalf of the Research Organization Committee. He reminded his audience that it was very important for capital exports to be discussed within a broad context not only of credit structure but of reproduction structure as a whole.

INOUE recognized Britain's capital export as being different from either that of France or Germany. He considered (1) whether capital exports were tied to commodity exports and (2) whether state intervention was a decisive factor. Britain's capital exports related directly to the interest of the City and was characterized as being free from Government intervention. If one looks at the export of capital to Canada, a triangular settlement among Britain, Canada and the United States emerges. This mechanism inevitably strengthened the position of London as the centre of the international financial order and promoted the growth of the rentier - typed capital from there.

ITOH attempted to clarify the economic position of Russia, capital importing relatively backward country or "the largest borrower in Europe" (H. Feis). He reviewed the long-standing debates over the dependency of both imperialist and socialist Russia and raised several important questions. If one only of his seven points is taken it will be noticed that in studying the stages of the development of Russian capital imports one could see a transition from the first stage where the Government loans were predominant, and little linkage effect was expected, to the last one where the private investments were prevalent and the domestic capital formation advanced as well. The fact that imperialist Russia could manage to get to the last stage distinguished it from other capital importing more backward countries such as the Balkan States.

SAITOH argued that the export of capital from the United States in the 1920s was in its nature not only dual but transitional. It was dual because two contrastive types coexisted side by side: one was represented by the investment to Europe where portfolio investment and market-searching motives were predominant, and the other by the investment to Latin America where direct and development investments were dominant and motivated very much by resources-searching. Reflecting this dualism, the international financial policy was inconsistent and wavering between non-interventionist and interventionist principle. SAITOH argued that this dualistic character prominent in the 20s was, during the 30s, overcome and recast into the new international order of Pax Americana after World War II, where the Latin American type was typical and the state capital

was playing the leading part.

(Kenzo MOHRI)

THE AGRICULTURAL ECONOMIC SOCIETY OF JAPAN

The 1985 annual convention of the Agricultural Economic Society of Japan was held at Shimane University on April 3 and 4. The common theme of the symposium (April 3) was "Economic and Social Change and Problems of Rural Population" under the presidency of Taira YORI (Kyoto University).

This theme was chosen in order to examine whether or not underemployment exists in Japanese agriculture. The average per capita income (farm and off-farm combined) of the farm household has exceeded that of the urban worker's household since 1970. The average income per worker of the farm household has arrived at the same level as that of the labourer's household in 1980. However, the average farm income per day of family labour was only 60% of that of the urban worker's household in 1982. These suggest that the farm household on the average has kept the disguised equilibrium situation by re-allocating its family labour from farm to off-farm employment and has thus succeeded since the 1970's in reducing the underemployment of the farm family labour. However, the labour productivity of agricultural sector remains lower than that of the industrial sector.

The first report was presented by Akira MISAKI (Shiga University) under the title of "The Role of Rural Population in the Development of the Labour Market". In the first half of the report, he reviewed historically the literature concerning the role of agriculture under the capitalistic development of Japanese economy. Most of the literature suggested that farm workers had been overworked on small-sized farms and continuously outmigrated into the underemployed workers' class in the capitalistic labour market before Japan started its high economic growth in the 1960's. Since outmigration of over-occupied population kept down the wage level and resulted in the higher capital accumulation in the capitalistic sector.

In the latter half of the report, he dealt with the differentiated structure of the Japanese labour market and the outmigration mechanism of farm workers after World War II, and concluded that the farm workers are still overworked in the rural, unstable labour market.

The second report was given by Takashi MATSUGI (Nagoya University). His theme was "Development of the Rural Population in Japan since 1960 and its Perspective". In the first half of the report, he estimated the econometric relationships between the decreases of agricultural population and number of farm household, and cause-variable such as the average size of farm land, farm income, off-farm income, and prefectural average income per capita.

In the latter half of the report, he showed the perspective of rural population, and estimated the number of farm household will decrease by 5%, rural population by 7-8%, and basic farm worker by 15-20% for every five years toward the year 2,000.

The third report was given by Junichi SAKAI (Tohoku University) under the theme of "The Development of Agricultural Productivity and Rural Population".

He pursued the rural population problems on the assumption that the development

of agricultural productivity, especially by labour-saving innovations, has claimed the expansion of farm size since 1960, but economic and institutional conditions have constrained the farm size expansion and continuously reproduced the overoccupied workers, especially among older age group, in the agricultural sector.

He emphasized the importance of regional differences on the rural population problem. He proved the overoccupied population problem was more serious in the rural regions where the local labour market was still primitive, and agricultural productivity was still on the low. Finally, he proposed various policy options; to develop diversified farming in order to utilize the underemployed labour of older age and regional group farming; to apply the efficient technology for scale economies; and to use the reallocation of agricultural resources among farmers.

The fourth report was given by Sanshiro IWATANI (Shimane University) under the theme "The Structure of Productivity in the Rural Region". In the first half of the report, he showed the transition of depopulation by each rural area over Japan since 1960, and proved that the depopulation and decrease of farm household have been highly advanced in Hokkaido, Okinawa and Shikoku during these 20 years. However, the ratio of the population of 65 years' old or more to the total population in rural region was the highest in Chugoku region, followed by Kinki, Shikoku and Tokai regions. The U-turn phenomenon of population among the younger age group in the depopulated regions has been gradually increased since 1975. They are expected to revitalize the living and economic conditions in those regions.

In the latter half of the report, he stated the transition of productivity system in the depopulated region and more favorable conditions are gradually being brought about as follows; (1) country dwellers live longer to work effectively in agriculture and forestry; (2) their standard of values is changing, and more people are discovering new merits in living in rural and imspoiled regions; (3) communication has improved regions; (4) non-agricultural job opportunities have increased which has encouraged the younger age group to remain in rural areas. Finally, he indicated the importance of developing the extensive technology adaptable to the older age group.

In the discussions on these four reports, the following points were emphasized; (1) the concept of relatively overoccupied population should be applied to the rural population problem on the basis that the mobility of farm worker into capitalistic sectors is different by the status in household, sex, and age as well as economic class and region; (2) the decrease of family farm worker is mainly brought about by economic causes, but the family and other sociological factors are important in order to explain the recent tendency of the number of farm households being decreased in parallel with the decreased rural population; (3) the overoccupied population problem in the 1970's was different from that in the 1960's due to the changes in labour and land market situations, and the leasehold tenancy promotion policy should be pursued to increase agricultural productivity; and (4) the socioeconomic mechanism by which households and villages are maintained by old group people should be subject to detailed analysis.

(On April 4, 65 contributed papers were presented by the members of the Society all-over Japan).

The common theme for the 1986 annual convention, scheduled to be held at Utsunomiya University, is “the Paddy Field Reorientation Program and the Production Structure of Agriculture in Japan”.

(Taira YORI)

THE JAPAN ASSOCIATION FOR ASIAN POLITICAL AND ECONOMIC STUDIES

The 39th National Convention of the Association was held on November 16 and 17, 1985, at University of the Ryukyus in Okinawa. There were two general themes; one, 'the Autonomy and International Cooperation in Asia', while the other was 'the Center and the Countryside in Asia'. Under the first theme, three presentations were made, of which two emphasized the vantage point of Okinawa.

Hiroshi KAKAZU (University of the Ryukyus) made the initial presentation entitled 'Autonomy and International Cooperation on the Part of Pacific Archipelagoes'. Kakazu took 22 countries (including some regions) which are the members of the South Pacific Conference (SPC) and pointed out the special conditions of the region and the difficulties which members are faced with. These included their intricate political conditions, scarce domestic resources, population explosion, specialized economic pattern dependant on a limited variety of primary commodities, their chronic trade deficit, their dependence on foreign aid, the small scale of their economies, almost non-existent economic transactions between the member nations, and the economic domination by multi-national corporations. The presenter attempted to explore a path to autonomy of these archipelagic economies by citing the case of West Samoa. Okinawa, in particular, has a long history of involvement in this region behind it. He also pointed out that economic cooperation and technology transfer should be promoted by involving the member nations when one envisages the Pacific-rim regional cooperation with Okinawa taking the lead.

Chung-Huan Yu (International University of Japan) made a second presentation entitled, 'Overseas Chinese in East and Southeast Asia and Their Economic Activities in Relation to the Economy of Mainland China'. He pointed out firstly that internationalization does not merely signify mutual dependence which is equated with the international cooperations, but also entails subordination as the other side of the same coin; secondly he pointed out the importance of not merely transferring money and goods across national borders, but also of the migration of human resources across national boundaries. He observed that a new Chinese economic sphere is being formed not only with the development of the mainland Chinese economy but also with the deepening of ties between the mainland Chinese and overseas Chinese economies, but that this involves ethnic problems. He envisaged a future in which there will be a potential danger of inducing serious political problems in addition to economic frictions, should mainland Chinese exclusively pursue their narrow self-interest.

Takayoshi EGAMI (University of the Ryukyus) delivered a third presentation entitled, 'International Exchanges as seen from the Vantage Point of Okinawa'. He paid attention not only to the ties between nations but also to the importance of international exchanges between domestic regions. The presenter reviewed the geographical and historic features of Okinawa and the history of its international intercourse. He stressed that Okinawa had a long history and abundant achievements in exchanges with China,

Taiwan, Southeast Asia, South Pacific island countries, and Hawaii (the United States), as well as with Latin American countries, and emphasized the fact that its history of international exchanges covered the entire area of what is now known as the Pacific-rim region. However, Okinawa's history as a prefecture, that is, as a local autonomous body, is relatively short and its international exchanges as a prefecture is limited in scope. He thus claimed that Okinawa, as a local autonomous area, must further promote ties of international exchange. At the same time, he argued that it is essential for Okinawa to develop positively ties of international exchange on its private-sector basis. He concluded by stressing that Okinawa should take a lead in forming the Pan-Pacific region, particularly as it is the gateway for international exchanges with the Southeast Asian region and as a pilot for the formation of the Pan-Pacific community.

Under the first general theme, attention was focussed on three rather neglected areas, namely, the South Pacific island region, the mainland Chinese economy in relation to overseas Chinese economies, and Okinawa. Interesting case studies which probed deep into the issues of autonomy and international cooperation confronting these three regions were reported, and an active discussion ensued over the case studies.

Under the second general theme, three region-by-region case studies on the relationship between the centers and outlying provinces were reported. The final presentation attempted to construct a theoretical model encompassing the three foregoing case studies and to project future prospects.

Kenji TSUCHIYA (Kyoto University) made the first presentation entitled, 'the Capital Regions and Outlying Provinces in Southeast Asia'. He tried to clarify the formation, transformation, and reorganization of the ties between central regions and outlying ones by turning back all the way to traditional national groups prior to the days of colonial rule and the establishment of nation states. He analyzed in a clear-cut manner the organization and the maintenance of the ties between central regions and outlying ones between the 7th and the 17th centuries by relying on the paradigm of the network of legitimacy symbol and its succession from generation to generation and also by relying on the concept of 'the single ocean'. Further, he depicted the subsequent process of disintegration and reorganization, and succeeded in giving a vivid presentation of the status quo.

Kazuko MORI (Japan Institute of International Affairs) submitted the second presentation entitled, 'the Central Region and Outlying Provinces in Contemporary China', in which she clearly showed that the Chinese political system has traditionally been centralized; at times it was dispersed regionally but has never been decentralized. She went on to show that even in China today, a federal system is not adopted despite the fact that China is a multi-ethnic nation. She also reminded the audience, that a unitary political system and a centrally-planned economic system is still maintained in China today. For the past 30 years the history of post-revolutionary China has been a process of national unification through powerful centralization by promoting step by step the territorial, political, and economic integration. Since entering the 1980s, this process is being modified by a bold policy in China which has come to uphold economic development and modernization as national goals. A variety of policies reflecting the

distinct characteristics of each province has been worked out, as seen in the controversy over 'a dual system in one nation' with a view to reintegrating Hong Kong and Taiwan or as in the concept of 'special administrative areas'. At this juncture, China is at a major, historic turning point. Thus, she stressed the necessity of closely observing what factors will determine China's future.

Hirokazu YAMAGUCHI (Institute of Developing Economies) offered the third presentation on 'the Central Regions and Outlying Areas in South Asia', and took up the case of India. He reconsidered the development process of the ties between the central region and outlying provinces since the British ruled India up to the present, and, then, made future projections on the societal, political and the economic dimensions. On the societal level, he asserted that it is almost impossible to unify India due to her regions, ethnic, and linguistic diversities. On the political level, a strongly centralized federal system has been maintained even after she gained independence. The centralized orientation has been enhanced as a result of the National Congress Party placing not only the central government but also many of provincial governments under its control. Recently, however, some cases of marked confrontation between the federal government and provinces can be observed. On the economic level, although the fiscal control by the central government of provincial governments has been exceptionally tight, and, therefore, her economic system is markedly centralized, it is undeniable that major disparities between provinces do exist. Thus, her predominant task is how to integrate and at the same time modify the existing economic ties between the central region and outlying provinces.

Kenichiro HIRANO (University of Tokyo) made a fourth presentation on 'the Center and the Countryside in Asia-the History and Future Outlook of the Ties between the Two'. He emphasized that the relationship between capital regions and outlying provinces should not be considered to exist one dimensionally and on a single plane, and qualitatively homogenous, but rather should be grasped and analyzed as something whose structure is multi-layered, that is, local parts form many layers and constitute the whole. After having stated his case regarding the relationship between the capital region and outlying provinces, citing such cases as China and Japan, he noted that things actually developed in a way which strike us as the re-emergence of this multi-layered structure as in the case of dealing with ethnic minorities or in forming the People's Commune in China, despite the fact that this historical relationship underwent changes due to the unitary rule by modern nation state (the center). Further, he placed stress not only on politico-economic relations but also on cultural ties, and claimed that it is essential to reconsider the ties between the capital and provinces in terms of culture. He attached importance to the fact that the links between capital regions and outlying provinces in modern and contemporary Asia can, in a sense, be seen in terms of cultural contacts and cultural transformations. In the future, due to a further development of international communications, the boundaries setting the capital off from provinces will probably disappear; already the ties between the two are undergoing major transformation. On the other hand, moves to encourage people to recognize the significance and the importance of provinces have gained momentum. Thus, he pointed out that it is

necessary to respect and esteem not only the cultures and the esprit of the center but also those of outlying provinces, and to conceptualize the ties between the two in a way to make use of such cultural and spiritual values.

The 40th national Congress is scheduled to be held at Takushoku University on November 15 and 16, 1986. The common theme will be 'Liberators of Asia and their Heritage'.

(Hiroaki FUKAMI)

JAPAN SOCIETY FOR THE STUDY OF BUSINESS ADMINISTRATION

The annual convention of the Japan Society for the Study of Business Administration was held at Matsuyama Commercial University from September 10 to 13 1985 under the unified theme of "New Trends in Theories of Business Administration — Especially on Trends since the 1970s". Nine researchers presented papers on this theme: Kohki SUZUKI (Komazawa University), Yoshimori SAIGO (Chukyo University), Haruki IINO (Kyoto University), Osamu YOSHIDA (Shiga University), Katsuyuki NAGAOKA (Tokyo University of Economics), Shinji SUZUKI (Niigata University), Takayuki MIURA (Fukuoka University), Masaki NAKATA (Ritsumeikan University) and Tsuneo SHINOZAKI (Otaru College of Commerce). Besides these, 29 papers on a variety of subjects were read. There were same heated discussions.

The reports of S. SUZUKI, YOSHIDA and NAGAOKA reviewed new theoretical trends in the German language area. Among them, it was S. SUZUKI's paper that treated the methodological problems discussed in recent German theories of business economics (Betriebswirtschaftslehre), focusing on the problems of freedom from value and objectivity in objectives for decision-making. This problem was dealt with afresh by HEINEN/DIETEL in 1976, who however, according to S. SUZUKI, were not successful in proving the objectivity of statements regarding decision-making. STEINMANN and others have tried to fill up the gap in HEINEN/DIETEL's theory with constructivistic methods, by which the grounds of validity of statements as to norms consisted in consensuses through reasonable dialogues. S. SUZUKI concluded that the methods of constructivism were actually useful, although not strict in the logicity of critical rationalism.

YOSHIDA reported on the development and problems of humanization of work in West Germany. Examining the efforts on this problem by German researchers, he summarized finally two directions of opinions: opinions on improvements of work within capitalism and those beyond capitalism. Standing for the former as realistic, he pointed out that the humanization of work in West Germany, connected with the participation of workers in management, had been politically argued. At last, touching upon the consequences on Betriebswirtschaftslehre, he concluded that the humanization of work was not to be treated easily within the present framework of Betriebswirtschaftslehre but might bring a new perspective to it.

In his report, NAGAOKA examined the trends until the 1960s and since the 70s in economical approaches and organizational approaches to business administration theory from the viewpoint of continuity and discontinuity of theory. Pointing out that more discontinuity was observed in organizational approaches, as a characteristic feature of decision-making oriented theories since the 70s he indicated there were efforts to inquire how premises of decision-making were constituted. Then he discussed some points, to which more attention should be paid in building up a general theory of business administration, assuming the formation and maintenance of systems as a principal

pillar of the general theory. At the same time he noted the development of so-called critical studies in the 70s and emphasized that one ought to be conscious of the social roles of theories.

The reports given by SAIGO, IINO, MIURA, K. SUZUKI and SHINOZAKI mentioned new trends in the Anglo-American area. In his paper, SAIGO asserted that the perspectives of business management could be grasped from the consideration of the development of industrial society hitherto. According to him, the development of industrial management can be described as follows: (1) the appearance of a rough and naive management at the time of the first industrial revolution, (2) the emergence and establishment of modern industrial management at the time of the second industrial revolution, (3) the reform of basic concepts and relations between concepts of industrial management in the period of the present industrial revolution based on recent technical innovation. He pointed out systems approaches, contingency approaches, theories on strategies of enterprise and concepts of Japanese system of management as new trends and surveyed the tendencies of these developments.

IINO discussed the possibility of developing the theory of C.I. BARNARD and of grasping systematically modern theories of organization and management within the framework of BARNARD's theory. IINO said that a co-operative system must act on the basis of three postulates — rationality, humanity and sociality — in order to survive and develop. According to him, these three postulates correspond to the three concepts of BARNARD's theory — effectiveness, efficiency and morals. Considering BARNARD's theory of the three phases of an organization, that is, existence, survival and development, IINO argued that morals are above all indispensable to the development of an organization, because it is necessary during the phase of development to create a managerial philosophy by virtue of morals. In conclusion IINO emphasized that BARNARD's theory should be given more attention nowadays.

MIURA's report dealt with the problem of innovation. He began with the thesis of W.I. ABERNATHY that productivity improvements and innovative activities would rather exclude each other than promote mutual developments. MIURA inquired into optimal conditions for the development of innovation, which, according to him, were a milieu for flexible thinking, a skillful network of information and communication and achievement appraisal over a long range. Pointing out that there was a correlation between raising productivity and increasing incremental innovations but a converse correlation between raising productivity and launching radical innovation, he came to conclusion that incremental innovation could combine productivity improvements and innovative activities.

K. SUZUKI dealt with the general system theory and the population ecology theory of organization. Characterizing the population ecology theory as an expansion of the general system theory to comprehend relations to the environment systematically, he criticized that it was not impossible to apprehend an organization such as an enterprise as a biological being but it should first of all be grasped as a historical entity, which acted essentially with the logic of capital movement, and which therefore was characterized by intentional activities toward society and nature as environment. According to

him, the population ecology theory, which tries to justify adaptive activities of enterprises as a supreme order only from an ecological viewpoint without consideration of the unchangeable true nature of capitalistic enterprise, reflects a conservative inclination of American society in these days.

SHINOZAKI presented a paper titled "From Contingency Theory to a Theory of Labour Process", in which he reported how a radical theory of organization as an amalgamation of traditional theories of organization and Marxism had grown from an attempt at building up a new theory from the contingency theory on the one hand and a revaluation of Marxism on the occasion of experiences in Viet-Nam on the other hand, and how the theory of labour process had developed from BRAVERMAN's "Labour and Monopoly Capital". Making reference to the studies after BRAVERMAN, SHINOZAKI pointed out that these studies were positivistic enough. So one could say they built up a Marxian theory of organization. In conclusion he wanted further inquiry into differences between the theory of labour process and the critical or Marxian theory of business administration developed earlier in Japan.

NAKATA's report discussed meanings and roles of American theory in Japan since the end of the Second World War from the viewpoint of the critical or Marxian theory. He clarified three stages of Japanese criticism of American theory: (1) the beginning of full scale criticism, (2) critical studies of the historical development of business management in America, (3) deepening and expansion of criticism and critical adoptions of American theories of management. According to him, deepening consists in, for example, defining management originally by the concepts of Marxian economics; expansion, in the broadening of objects of criticism; critical adoption is proposed in some cases for the sake of the realization of economic democracy in Japan. In conclusion he touched upon the relation between the Marxian theory of business economics and the American theory of business management, which was, he said, a desirable relation of an interdisciplinary integration on the basis of the former.

The main issues raised during separate question-and-answer sessions and at the symposium on the final day can be summarized as follows: On S. SUZUKI's paper, the methodological relations between HEINEN/DIETEL's opinion and STEINMANN etc's; On YOSHIDA's report, the possibility of the humanization of work within the existing system of co-determination and the possibility of theorizing on the humanization of work within the framework of German Betriebswirtschaftslehre; On NAGAOKA's paper, the connections to such problems in the philosophy of science as POPPER's theory, the controversy over positivism in German sociology etc.

On SAIGO's report, the influences of the growth of an information oriented society on the present paradigm of industrial management; ON IINO's report, the possibility of setting up morals as a leading concept parallel with the concepts of effectiveness and efficiency within the framework of BARNARD's theory; On MIURA's paper, the need to grasp innovative activities first of all as a social problem within a wider framework; On K. SUZUKI's report, the role and relations of information theory to the population ecology theory; On SHINOZAKI's paper, the possibility of the theory of labour process to build up a framework covering the whole field of business administration; On NAKA-

TA's report, the special quality and roles of the critical or Marxian theory of business administration from the viewpoint of a democratic transformation of the Japanese economy.

At the convention symposium, taking an overall view, the discussions related to questions-and-answers on each report were so prolonged, that an intensive discussion focusing on the general characteristics of new trends of theory was not sufficiently held, which would reflect the current situation in Japan, where one can hardly speak of a unified trend or a unified theory of business administration. If this is the case, it is similar to the situation in America, which H. KOONTZ characterized in 1961 as "the management theory jungle". Also in West Germany E. SCHÄFER in 1974 and D. SCHNEIDER in 1981 deplored the dissolution of a general theory (Auflösung der allgemeinen Betriebswirtschaftslehre). Would one have to say that a diversification of theories or a dissolution of a general theory is a characteristic at present?

(Shoichi OHASHI)

THE JAPAN BUSINESS ENGLISH ASSOCIATION (JBEA)

The 1985 (45th) annual convention of the Japan Business English Association was held at the Video Hall of Yokohama Municipal University on November 16 and 17, 1985. The association will publish "Nippon Shogyo Eigo Gakkai Kenkyu Nempo" (The JBEA Annual Studies) in October 1986 containing seven papers presented at the 45th annual convention.

The subjects and resumes of these papers and their reporters are as under:

- (1) "Composition Teaching: Group Activities and Adoption of Composition Correction Chart" by Shun'itsu NAKASAKO (Osaka University of Education): This paper discusses merits and characteristic of a small group discussion at the teaching of English composition and the actual use of a Composition Correction Chart. The students involved in this class assignment are expected to consider how to improve their compositions by discussing as a group and by the use of a Composition Correction Chart. This involves every student and so is valuable in encouraging "self-help" groups in the classroom. The Composition Correction Chart is given and its practical application to business letter writing is made in this paper.
- (2) "The New Wave of Human Resource Development in Japanese Major Firms" by Akira KINOSHITA (Kinki University): This deals with the new trends of Japanese Labour Relations and presents some suggestions on more highly effective in-service training programs in Japanese business companies in order to develop further their human resources. Particularly, the following three points are discussed: internationalization of human resources, utilization of women's growing labour power, and changing labour relations in Japanese firms.
- (3) "Human Factors Essential as Legitimate Object of Business English Research" by Shigeru OZAKI (Aoyama Gakuin University): In international business transactions, the sender and the receiver have different thoughts, cultures, and ideologies because of the divergent environments where they were born and raised. Accordingly, they have different national backgrounds, and such elements as politics, economy, society, education, and religion. These factors should be taken into account when business negotiations are commenced. Also, the interests of the sender and the receiver are invariably opposed to each other. They both, naturally as human beings, are apt to address one's self-centered ideas to the other. It would be a mistake to set about the task of commercial negotiations in disregard to this fact. Therefore, it is necessary in research to take account of the fact that the Japanese, being Orientals, are different from Britons or Americans.
- (4) "Punitive Damages in Products Liability in U.S.A." by Hiromu NAKAMURA (Doshisha University): The doctrine of punitive damages first received recognition by the English common law in 1963. Punitive damages are essentially different from compensatory damages. The main object of punitive damages is to punish and deter. It may well be said that this confuses the civil and criminal functions of the law. In England, therefore, a restriction was laid down in 1964 on awarding punitive damages. In Ameri-

ca, however, such damages have been awarded freely in most states. Punitive damages may be awarded if the harm suffered was the result of the manufacturers' reckless disregard for the safety of consumers. The doctrine itself seems in no way reprehensible. In recent years, however, punitive damage awards have increased significantly not only in number, and have also often reached into the millions of dollars. Manufacturers cannot sustain this level of damages. Unless some way is found of reforming the punitive damage system in America, it is quite likely that the system itself will come to a standstill. Manufacturers, from Europe and Japan who send goods to America are also much frightened by the fear of damages which might be awarded as a case brought against them.

(5) "The Construction of 'It + be + adjective for ...to...' in Business English" by Hideyoshi ARAKI (Nagoya University of Commerce): This paper attempts to show acceptability of the "It + be + adjective for ...to..." construction, referring to views of such grammarians as Jerspersen, Onions, Curme, Fries, Zandvoort, Kruisinga, Poutsma, Quirk and Rosenbaum. Much discussion is given to the function of "for ..." with relation to "to..." which follows.

(6) "To Your Debit" or "To Our Credit" by yunosuke ISHII (Kansai Junior College of Foreign Studies): "There is confusion about the word 'debit' and 'credit' that is difficult to overcome, as when the nonfinancial manager discovers that something he has thought to be to his credit turns out to be a debit". Supposing merchandise is sold on credit, it is often wrongly stated: "We (the seller) credited you with \$58," or " \$58 was entered to your credit". However, the rules of accounting practice indicate that this statement should be: "We debited you with \$58, or \$58 was entered to your debit". On the other hand, when merchandise is purchased on credit, the buyer can say: "We will credit you (the seller) with \$700, or \$700 will be entered to your credit". Otherwise, the buyer can say: "You can enter \$700 to our credit". This paper tries to review the rules of accounting and clarify what kinds of transactions are entered into the left-hand or debit side of an account and what kinds of transactions into the right-hand or credit side for better understanding of the words "debit" and "credit".

(7) "Indirectness in Polite Expressions of Requests, Understatements and Hedges" by Junzo HAYASHI (Kyoto Women's University): This paper deals with sort of tact often employed in business situations, based mainly on the six maxims of Leech's Politeness Principle. In general, business people are expected to approach each other in as properly polite a manner as possible for successful negotiations, considering carefully two scales of cost-benefit and power-solidarity. In process of such negotiations, it frequently happens that a displeasing, unfavorable response has to be made toward the other party; understatements and hedged expressions can be effectively employed on these occasions. This is possibly in order to save the face of other party. Understatements can be achieved by the use of detensifying adverbs of degree and predicate negation; hedges are sympathetic expressions which are generally placed before bare statements. What is commonly seen in these polite expressions of requests, understatements and hedges is the quality of "Indirectness", to which special attention should be paid by business people particularly engaged in international trade.

The next annual convention is scheduled to be held on October 17 and 18, 1986 at Osaka University of Foreign Studies in Mino, Osaka.

(Junzo HAYASHI)

BUSINESS HISTORY SOCIETY OF JAPAN

The 21st Annual Conference of Business History of Japan was held at Ryukoku University, Kyoto, on October 19 and 20, 1985. On the first day of the conference, each session was divided into two parts. Of the twelve papers, five were concerned with Japan, four with America, two with Britain and the other with Germany. It was noted that the characteristic of most of the papers of the year were related with studies of heavy industries in the early 20th century. Professor M.G. Blackford of Ohio State University, as a foreign guest, contributed a paper on "Business History of America".

On the second day, we had a general conference under the agreed theme of "The Entrepreneurial Activities between the World Wars, approach from Business History Studies to 1930's Japan" introduced by Kesaji KOBAYASHI (Ryukoku University). This meeting was jointly chaired by Hiroaki YAMAZAKI (University of Tokyo) and Matao MIYAMOTO (Osaka University). KOBAYASHI, from the view-point of international comparison, emphasized the importance of studying business performances referring to technical development, management and finance around the Second World War.

Firstly, Kenji IMAZU (Kobe University) presented a paper on "Technological development of enterprises of Japan around the Second World War", which made clear the socio-economic condition of Japan around 1935 in terms of the demand and supply of energy, progress of steel and transport-industries, financial source and experimental process of electric-grope. Hoshimi UCHIDA (Tokyo University of Economics) commented on the paper by examining the three stages of technological development since the early Meiji period through the role of technological institutions. Some additional question from the floor were concerned with the development of sheer-steel production and the relationship between military arsenal and private industries.

Secondly, Takuji SAKAMOTO (Nagasaki University) presented a paper on "The development of American electric industry around the Second World War". He traced the process of the so-called "Electrical War" between General Electric and Westinghouse. Then Hideaki YOSHIDA (Osaka University of Economics) gave a comment on the paper from his own research of the Japanese electrical industries and stressed the difference of the intervention caused by the war demand to the business from which G.E. profited. Minoru TAKEDA (Jyosai University) from the floor raised a question of comparison of their earnings internationally and Shin'ichi YONEKAWA (Hitotsubashi University) also questioned why the American semi-conductor producer failed to become a general producer of electrical goods.

Thirdly, Reiko OKAYAMA (Meiji University) in her paper on "Comparative study of management and manning of enterprises during the Second World War — Britain and Japan —" gave case studies of managerial structure and labour management during and after the Second World War. Toshio HASHIMOTO (Tokyo University of Electric-Communication) commented on the paper by illuminating the changes of the work-force brought about by the war as well as the deployment of intensive labour units by the

Mond-Turner committee in the 1920s and the joint-production committee in 1942. Hisashi MASAKI (Doshisha University) asked from the floor how far the British idea of management influenced Japan in the early stages of industrialisation.

Fourthly, Shoichi ASAJIMA (Senshu University) presented a paper on "How Japanese enterprises were financed during the Second World War". He, in using the case of MITSUBISHI heavy industry, referred to the Zaibatsu connection and the conflicting demand for finance between public and private industries. Then Yasuaki NAGASAWA (Fukuyama University) commented by reference to supplementary data available for enterprises at that time.

To conclude our discussion of the general theme, the president of our society, Keiichiro NAKAGAWA (Aoyama-gakuin University) gave an address of on the steel, shipping, chemicals and shipbuilding industries before and after the Second World War. He emphasized the success of the production line in Japan (not by using the imported Taylor system) but rather by developing ideas of the Japanese engineer.

The society's next annual conference will be held on the 18th and 19th of October, 1986, at Tokyo University of Economics.

The third Conference of third series of the International Conference on Business History ("The Fuji Conference") was held with generous support from the Taniguchi Foundation on the subject of "Sogo-shosha and Its Foreign Equivalent" under the project-leader of Hideki YOSHIHARA (Kobe University) from 6th to 8th of January, 1985.

Foreign guest scholars presented papers as follows: From the U.S.A., G. Porter (Hagley Museum and Library) on "Economics, Politics and Culture: Roots of the Decentralization". From France, P. Chalmin (Conservatoire National des Arts et Metiers) on "The Rise of International Trading Companies in Europe in the XIXth Century". From Germany, W. Feldenkirchen (Universitat Bonn) on "The Export Organization of the German Economy". The representatives from the U.K. were S. Jones (Inchcape plc), W.J. Reader (Business History Unit, London School of Economics) and J.R. Killick (University of Leeds) who "The Overseas Trading Company in Britain: The Case of Inchcape Group", "Merchants or Manufacturers British Methods in Foreign Trade 1870-1939" and "Specialized and General Trading Firms in the Atlantic Cotton Trade 1820-1980" respectively. Japanese papers were as follows; Hideki YOSHIHARA, "Some Questions on Japan's Sogoshosha", Nobuo KAWABE (Hiroshima University), "Development of Overseas Operations by General Trading Companies", and Hiroaki YAMAZAKI, "The Logic of Formation of General Trading Companies in Japan", and Shinya SUGIYAMA (Keio University), "A British Trading Firm in the Far East: John Swire & Sons, 1867-1914" were presented.

The next Fuji Conference is to be held under the theme of "A Lobby Group's Activities' in Business History" with MIYAMOTO as the project leader. The Proceedings of the second conference of the third series, "Development of Managerial Enterprise", jointly edited by KOBAYASHI and Hiromasa MORIKAWA (Yokohama National University) was published by Tokyo University Press. Our society also published the second issue of "Japanese Yearbook on Business History: 1985", the highlight of the

Japanese Business System. Both books are available from the office of our society. The society also held local conferences. There were eight meetings in Kanto, seven in Kansai and three in Western Japan.

(Masami KITA)

JAPAN SOCIETY OF BUSINESS MATHEMATICS

At the 27th Annual Academic Meeting, June 7 and 8 1985, at the Nanzan University fourteen speakers discussed thirteen research topics. Four papers were subsequently published in the Annual Report of the Japan Society of Business Mathematics.

The thirteen research topics included simulation, graph theory, logistic problems in automobile manufacturing, the design of marketing channels, stochastic processes, and the analysis of the profitability of added assets. Takashi YAMADA (The school of Medicine of the Japan Academy of Defence Forces) discussed a game-theoretic approach to the process of mutual selection. Tadashi INOUE (Aichigakuin University) discussed the design of marketing channels. Yasutsugu UEDA (Mitsubishi Automobile Company) discussed logistic problems in the automobile manufacturing industry. Akira UCHINO (Yokohama Commercial College) discussed the effectiveness of structure-dependent simulation models. Hirao KOJIMA (Kitakyushu University) discussed the distribution of life expectancy based on the Markov regenerative process. Shinkichi SATO (Chiba Commercial College) and Takahiro KOJIMA (Senshu University) discussed a combined depreciation by utilizing a computer. Hitoshi TAKEDA presented the economic analysis of added assets in production.

The following four papers were published in the Report. Masatoshi KITAOKA (Kanagawa University) presented a paper entitled "Hierarchical Structuring of Systems and Grouping of Their Elements Based on Graph Theory". Observing that hierarchies are fundamental to the study of various complex systems, he proposed a list processing procedure which constructs a hierarchy or a set of hierarchies based on graph theory. This procedure, unlike the existing procedures based on matrix computation, utilizes graph theory to classify and rearrange the elements of a system and can be implemented by using LISP or PROLOG.

Nobuhide TANAKA (Gakushuin University) presented a paper entitled "A Graph Theoretical Consideration for the Rearrangement of Networks". He developed a procedure to rearrange communication networks in an efficient manner.

Shoichi HYAKKAI (Kanagawa University) presented a paper entitled "A Man Power Plan in Data Processing Fields". He analyzed a demand for a man power in data processing areas over a future period in a airline firm and formulated a policy which adequately met the demand.

Setsuo OHNARI (Hitotsubashi University) presented a paper entitled "The Action of a Decision Maker and the Vicissitudes of a Social State". He analyzed a process in which individual decision makers chose their actions and showed how their choices led to a particular state of a society.

(Hiroshi MATSUO)

JAPAN SOCIETY OF COMMERCIAL SCIENCES

Japan is, as other developed countries, now undergoing tremendous changes in the distribution industry as the dominating power of manufacturers over wholesalers and retailers disappears. Types of retail outlets are proliferating at an astonishing speed. Direct marketing, especially selling through mail catalogs is growing at much higher speed in these three years reaching the 10% share of the total retail sale.

Under these circumstances, Japan Society of Commercial Sciences decided to take as their special theme, for the 35th national annual convention, "Paradigms of Distribution Studies — Their Reviews and Developments". The convention was held at Momoyama Gakuin University in Sakai City between May 17th and 19th.

The following papers were presented.

Session for the Special Theme:

An Economic Analysis of Vertical Transaction Restrictions

Tatsuhiko NARUO (Nanzan University) and Gashou MARUYAMA (Okayama University)

The Domination of Manufacturers in the Distribution Channels and the Risk-Sharing

Yoshihiro NAKADA (Osaka Municipal University)

Searching for a New Identity of a Study of Distribution System

Hiroyuki TATSUTA (Kurume University)

A Distribution Outcome of VMS and its Evaluated Results

Keisuke TOYAMA (Kansai University)

A Change in The Contemporary Distribution and Price Mechanism

Shin'ya ABE (Fukuoka University)

A Market Structure and its Usefulness

Kaname IIO (Wakayama University)

Session 1: Methodologies of Distribution Studies

Societal Agreement and New Paradigms

Yoshishige TSUCHIYA (Aichi Gakuin University)

Paradigms of Marketing Studies — Towards a Discussion of Another Paradigm

Katsunori KAMINUMA (Kanagawa University)

A Meaning of Professor Kotler's Concept Expansion Theory seen from a View Point of Critical Rationalism

Hiroshi HORIKOSHI (Keio University)

A Scientific Nature of the Commercial Science

Kosaku HONMA (Okayama Commercial University)

Session 2: Distribution and Consumer

An Image of Consumers in a Mature Society

Muneo KISEKI (Chuo Gakuin University)

Delinquency and Commercial Space

Kiyoshi OKAMOTO (Okayama Commercial University)

Future Tasks of the Distribution Structure seen from an Angle of Exogenous Outcomes

— With Special Reference to the Internation of Local Area Characteristics and Central Area Potentials

Ken TAKASHIMA (Small Business College)

On Re-evaluation of Consumer Survey at Diagnosing Store Complexes

Ken'ichiro KOBAYASHI (Tokyo Municipal Commercial and Industrial Counselling Agency)

Session 3: Empirical Analysis of Foreign Trade and Wholesale Distribution

An Analysis of Differences between Cash-And-Carry Wholesalers and Full-Function Wholesalers in Japan

Masahiko OHASHI (Osaka Municipal Institute of Industrial Efficiency)

Lamb Meat Marketing in New Zealand

Shun'ichiro KAWABATA (Hokkai Gakuen Univesity)

On Trade Frictions between Japan and U.S. — With special Reference to Beef and Oranges

Hiroshi MORI (Senshu University)

An Analysis of the Qualification Necessary to be a First-Class Foreign Trading Company

Shuji HAYASHI (University of Tokyo)

Session 4: Design of Distribution Systems

A Study on Merchandise Distribution and Criteria for Selecting Automatic Warehouses

Hiroyuki FUKANO (Japan Gijutsushikai)

Systems Approach to a Short-Term Sales Forecasting of Automotive Parts

Nobuo OISHI (I.M.C. Development)

A Fundamental Study on Building a Just-In-Time Physical Distribution System in the Distribution Industry

Yutaka KARASAWA (Univesity of Industrial Efficiency)

A Distribution Sturcture in a Textile Industry — With Special Reference to Socks Manufacturers in Nara Prefecture

Nobutake YAMADA (Kinki University)

(Koichi TANOUCHI)

JAPAN SOCIETY FOR COMMODITY SCIENCE

The 36th National Convention of the Society was held at Otaru College of Commerce from August 1 to 3, 1985, commemorating the Golden Anniversary of the founding of the society.

To celebrate the 50th anniversary Masayoshi KAWAMURA (Chukyo University) lectured on 'the process of the birth of the JSCS and the content of lectures on commodity science fifty years ago'. In the same Meeting, Ryozo MIZUNO (Kobe University of Commerce) also gave a lecture on title of my 'personal recollections of Dr. Kametaro OBARA'. It was particularly appropriate to do this at Otaru College of Commerce the predecessor of Otaru Commercial College where Dr. OBARA used to teach.

The ensuing symposium was held on the theme of 'Commodity Science and Commodity Testing', chosen because we still know so little of the theory of commodity testing despite the fact that commodities and the social environment surrounding them have recently changed very much.

The first presentation was made by Kazuhiko SAKAIRI (Bunkyo University) on 'the theoretical positioning of commodity testing', who argued that commodity testing becomes important when the productive capacity of producing enterprises surpasses demand. He analyzed the background of these changes in terms of 1) the differentiation and diversification of commodities, 2) the expansion of the scope of the exchange economy and the increasing dependence on commodities in production, 3) the emergence of technology-led commodities, and 4) the trend of commodities becoming increasingly more complex in their nature. He then made a point that commodity testing has become important because, 1) consumers have come to expect reliable information goods which they are considering buying, 2) once the responsibilities of producers have been clarified, the gap between production and consumption can be narrowed, 3) of the maintenance of the market mechanism by providing information to consumers and the realization of market manipulation by producers who are enabled to make use of relevant information.

He then pointed out that the point of issue is what kind of effects commodity testing data will provide for these purposes.

The second presentation in the symposium was made by Kenro TAKATORI (Yamaguchi University) on 'the problems of commodity testing'. He neatly presented the contrast between commodity testing, formerly a device for assisting producers, but which functions now as an instrument of market evaluation in the interest of consumers. He then made a point that, in the future, commodity testing will have to be carried out in such a way as to serve users in making a judgement of various products.

The third presentation entitled 'A re-examination of commodity testing techniques' was made by Takashi KIMATA (Nagoya University of Economics). He emphasized the importance of adjusting commodity testing techniques to meet new developments. Consumers now expect a reliable report on the content and safety of commodity, before they make a selection. He added that the re-examination of commodity testing tech-

niques is also necessary for the establishment of efficient commodity testing sciences in order to meet these changes.

A pre-assigned discussant, Noriyuki OGI (Nagoya University of Economics) pointed out that it is generally recognized that commodity testing, in fact, tests consumers, and that it is necessary to train commodity test technicians. He also introduced precedents in the United States in the area of testing services, and claimed that commodity testing must be predicated upon the usefulness of any one product.

PRESENTATION OF STUDY FINDINGS WITHOUT PER-ASSIGNED THEMES:

(1) Hiroshi KATAOKA (Hitotsubashi University) presented a part of the finding of a joint study to determine the diversity of commodities by measuring the degree of commodity diversification in six aspects, of converting them into patterns through radar (phonetic) charts, and on inter-aspectual analysis and an analysis of intra-aspectual correlations. He expounded that the contributions made by commodities to consumers and commodity providers, the social significance of commodities, and their changing trends by collating the study findings with the findings of studies of consumers and distribution relationships.

(2) Tomoyasu NAKAMURA (Senshu University) discussed the diversity of commodities in quantitative terms as part of the findings of the above mentioned study. Is it possible to compare commodities by type by handling numerically expressable variables as nominal variables while stating that attribute items constituting each aspect can be expressed by variables consisting of non-numerical values.

(3) Ryojiro IWAKI (Hitotsubashi University) took up television as a concrete example of the two preceding presentations, and expounded that the degree of diversity increases from the introductory phase toward the maturation phase by expressing degrees of diversification in numerical terms, by showing them in radar (phonetic) charts, and by analyzing the degrees of interrelationships between items constituting each aspect, and the changes in the degrees of diversification over the years.

(4) Takao IKEGAMI (Kinki University) conducted a demonstrative study of the relationship between the quality of a given commodity and its price by studying strings of dried persimmons. He claimed that the price of a string of dried persimmons changes in line with its size, grade, and variety, and that the increase in the shipment of strings of dried persimmons leads to the decline of their prices, and, thus, to the decrease of net profit. He, thus, claimed that the number of dried persimmon shipments be limited so as to stabilize their prices.

(5) Hi-Young HAHN (University of Seoul, Korea) believe that the history of commodity science must be discussed in terms of the achievements of Professor A. Kutzelnigg of Köln University in this field. HAHN believed that what is known as economic commodity science was, in fact, natural — scientific commodity science.

(6) Sumio ISHII (Fukushima University) did not accept that German commodity science was introduced in the early years of the Meiji era and suggested German commodity science was first introduced into Japan in Taisho one, when Dr. Frank assumed a teaching post at Otaru Commercial High School. He also wished to suggest that, as the

Society was founded at Otaru Commercial College in 1914, the 71st anniversary of the founding should be respected and commemorated.

(7) Keiichi SHIRASAWA (Yonezawa Women's College) claimed that a commodity ought to be grasped in a broad concept covering the spiritual history of man. He also claimed that tasks confronting the history of commodity science are whether the past can be explained in terms of commodities, and whether, in the same vein, we can predict the future.

(8) Shinichi SODA (RMC) pointed out that the safety features inherent in that commodity re-affirm the customers sense of confidence. He then claimed that it is only natural to modify safety standards in keeping with social changes. He, then, took up the example of the United States where services to test the safety of commodities are established as businesses, thus, clarifying the differences between the United States and Japan in terms of their respective approaches to commodity safety. He also claimed that it will be necessary to continue to examine the safety of commodities in the future in the Japan Society for Commodity Science.

(9) Yasushi MIURA and Fumio YAMAGUCHI (Tohoku University) focussed on bean curd texture which is considered to be important element in evaluating the quality of bean curd as a dietary feature of the same (the third presentation). He stated that, inasmuch as silk-strained bean curd was roughly divided into three groups and cotton-strained bean curd was roughly divided into 4 groups by way of texture profile analysis (TPA), a possibility of meaningfully classifying bean curd marketed in terms of texture characteristics was indicated, and claimed that, by this analysis, one can specify the properties of tasty bean curd and of marketable bean curd.

(10) Hisao MORISAWA (Akechi High School of Commerce) pointed out that, in Korea, the method of obtaining information on commodities by consumers is more often than not actual exposure of consumers to commodities, and that shopping itself is a leisure activity which Korean consumers enjoy. At the same time, he claimed that, inasmuch as Korean consumers are growingly more interested in services provided, especially with regard to household electrical appliances.

In the Study Council of Commodity Education, Okinori ITO (Asahikawa High School of Commerce) and Kenichi MIZUKAMI (Daiichi High School of Commerce) made presentations under the theme of 'Contemporary Tasks of Commodity Education, particularly, in terms of a variety of problems in implementing commodity education'.

(Yoshifumi ISHIZAKI and Tomohiro SHIRAKAWA)

THE SOCIETY OF ECONOMIC SOCIOLOGY

The Society is an academic circle of people who are commonly interested in the theoretical study and empirical research of contemporary society through interdisciplinary or transdisciplinary approaches extending over both economics and sociology. The annual bulletin, Vol. 7, *The Foundation of Economic Sociology*, was published in November 1985, Tokyo.

The 21st annual conference was held at Kobe University, Kobe city, November 16-17, 1985. The main theme of the conference was "The Reconsideration of Post War Japan from the Viewpoint of Economic Sociology", and was chaired by Yoichi ITAGAKI (Asia University) and Shoichi HASHIMOTO (Kansai University).

The first paper was "Japan's Transformation from Economic Development as a Strong Military Power to Development towards an Industrial Power", read by Takanobu Tojo (Shimonoseki City College). He first pointed out the historical transformation of Japan from the stage before the end of the Second World War, in which rapid economic development was linked with expansion as a military power, to the post-war stage when Japan wanted peaceful economic development as a member of the free world. He reminded his audience that, Japan had since 1868, the Meiji Restoration, been determined to become a great world power.

As a highly industrialized nation, Japan must now develop her philosophy and behaviour with a greater involvement with internationalization, overriding the limits of the national state, as is seen in such cases as USSR, USA and EC. T. TOJYO, therefore, proposed that Japan should construct a new system of global philosophy to overcome traditional ideas like "wa" (unity and harmony) or "bun" (duty and reward in proportion to status) which had been the foundation for the hierarchy based upon kinship and localism in the communal society. The ideal of a human being as an independent citizen will, in this philosophy, be integrated into that of "Gemeinschaft" with humanistic care combined with reason to lead the modern and 'contract based' relationship.

The second paper, presented by Taketoshi NOJIRI (Kobe University), was a retrospective look at the developmental process of modern Japan with special reference to "Economic Development and Social Dynamic in Japan". T. NOJIRI, referring to W. Sombart's idea of economic system as a spiritual unity, showed three variations of duality generally found in people's socio-psychological attitude, namely, materialism vs. spiritualism, individualism vs. groupism, progressivism vs. traditionalism, which seemed to exist in every modernizing society. Since the Meiji Restoration Japanese society has had two phases of transformation through two social crises, each respectively resulting in sharp changes in leading socio-psychological types. On the first step of the modernization process, the basic structure of leading attitudes was composed of three lines, the first of which was traditionalism combined with progressivism, the second was groupism, and the third was economism construed as a modified materialism united with spiritualism. This period of time is characteristically seen as a symphony of economism at the macro level and spiritualism at the microlevel. There also existed the communal

structure of society, in which “Ie” community (traditional pattern of Japanese family), local community, and national state typically formed a hierarchical trinity.

For forty years since the war, however, there has been a gradual process of transforming as well as simplifying the old spiritual inclinations of the Japanese people. Progressivism then became general in the mind of the Japanese nation; individualism as a form of democracy was to become prominent in Japan just after the end of the Second World War, and, as a result of them, economism that was actively trying to seek individual interests became imbued in the Japanese mind which, supplying strong energy to rapid economic growth, prepared the coming story “The Rising Yen”. T. NOJIRI pointed out the social mechanism that made the “miracle” story of development possible. Taking into consideration the advantageous international circumstances for post war Japan, he attached special importance to the newly formed pluralistic democracy being driven by the spiritual dynamism above mentioned, which was defined as “organized mass democracy” by Haruo NANIWADA (formerly, Waseda University) in his *Sozialwissenschaft und Wirklichkeit*, Waseda University Press, 1984.

Every change is unchanging. The very conditions that gave huge potential to the rapid economic growth of Japan are now being undermined. Japanese people who had experienced rapid growth and enjoyed affluence now began to reconsider their ‘growth-mania’ like performance. International circumstances are no longer so rosy for Japan. Japanese society now faces the third crisis since the Meiji Restoration. Perhaps Japan needs a new open communal system which is in domestic as well as in international fields.

Ken’ichi TOMINAGA (Tokyo University) began his presentation, “Comparison of the ‘Post War Society’ of Japan and West Germany — from a Viewpoint of Social Stratification Analysis”, by asking participants to remember, that the words “post war society” were still in active use, although people already said in 1955 that the post war period was over.

As an example of the contemporary atmosphere in West Germany, K. TOMINAGA referred to a conference held by the Institute für Zeitgeschichte, the record of which was summarized in Martin Broszat et al., *Nachkriegsgesellschaften im historischen Vergleich: Grossbritannien, Frankreich, Bundesrepublik*, München, 1982. Broszat mentioned that West Germany had radically changed the traditional essence of her society and politics by achieving a high level of equality, but the change was called ‘an unprogrammed revolution without revolutionary consciousness’, sharply contrasting with the case of the Weimar regime.

An interesting point, according to K. TOMINAGA, is that there is a similarity between post war Japan and the Weimar regime, both of which had made efforts, to improve people’s lives by planning social, economic, and political affairs. There was, however, quite a clear distinction between Weimar and Japan. The former produced a crisis of ‘proletarianizing’ the white collar class, although the latter created the so-called middle class consciousness for 90% of the nation, which helped society to be stable instead of causing a crisis. In Weimar, as Hermann Strasser says, the reformation produced such ‘status inconsistency’ that land owners, bourgeois class, public servants, and teachers

began to be afraid of losing their status.

K. TOMINAGA, using empirical data in a persuasive way, arrived at two conclusions, one that the Weimar regime's social reform generated status inconsistency which would various groups who turned to extremism and showing sympathy towards the Nazis; and second that post war Japan and West Germany, both being societies with great inequalities, also produced status inconsistency of a kind, which is, however, greatly different from that of the Weimar regime. The latter status inconsistency is seen as the origin of upward standardization of all people. Japanese society, even with very high status inconsistency and big social mobility, is now producing a recurrent trend of mild conservatism.

Other special topics discussed were as follows:

- (1) "Reconsideration of Post War Japan, with Special Reference to the Transformation of Consumption", by Terue OHASHI (Daiko).
- (2) "Economic sociology from the Viewpoint of Feminine Science", by Asako FUKUI (Komaba High School).
- (3) "Development of People's Lives in Cities with Local Industries", by Koichi HAYAKAWA, Akira TAKATORI (Nihon University).
- (4) "Agriculture in the Post War Period of Japan Restrospected", by Yoshinaga TERADA (Meiji University).
- (5) "Vico and Schumpeter", by Motoi KANAZASHI (Nihon University).
- (6) "Social Welfare as Political Arena", by Katsumi HARADA (Chubu Women's College).
- (7) "The role of the Middle Sector in Welfare Society", by Nobutada USHIZU (Nagasaki College of Foreign Language).
- (8) "Trends of Criticism of Welfare State", by Daizo KOBAYASHI (Osaka College of Commerce).
- (9) "Utz's 'Third Way', a Critical Appraisal of its Social Personalism", by Masanobu TODA (Doho University).
- (10) "Towards Transforming the Structure of Contemporary Society", by Koji TAKAHASHI (Nihon Institute for Social Development).

The 22nd annual conference is scheduled to be held at the College of Library and Information, Tsukuba, near Tokyo, in September 27-28, 1986. The main theme is "Information and Social Systems", under which various aspects and topics of the so-called "Information Society" will be discussed.

(Yukimasa NAGAYASU)

THE SOCIETY FOR THE HISTORY OF ECONOMIC THOUGHT

The 49th National Convention of the Society for the History of Economic Thought was held at Konan University in Kobe on November 9 and 10, 1985. There were 24 presentations each being followed by discussion. Of the 24, ten presentations were on classical economics some of which were interconnected, and, thus, attracted attention from a great majority of the members. Some of the papers are referred to below.

1. Takumi TSUDA (Hitotsubashi University) discussed the exchange between the United Kingdom and France in the field of early classical economic thought under the title of 'Boiguillebert and Political Arithmetick'. TSUDA, could not detect any influence by W. Petty in Boiguillebert's anonymously published book, *'Le detail de la France'*, Ruen, 1695. Later, Boiguillebert did made efforts to understand the then prevailing actual political and economic conditions in the United Kingdom. He noted that, the political institutions and economic policies, firmly established in that island Kingdom in the wake of its civil war and the 'Glorious Revolution', produced a remarkable increase of the wealth in Great Britain. He claimed that for the reconstruction of the then devastated France an example had to been sought in this British experience. The two books which inspired him were *'The desolation of France demonstrated'*, London, 1697, which although published anonymously written by de Souligne, and *'Les interets de Angleterre mal entendus dans la guerre presente'*, written by Abbe Du Bos and published in Amsterdam in 1703.

2. Satoshi NIIMURA (Okayama University) made a presentation on 'Formation of Adam Smith's theory of value'. In the conventional theory upheld so far, the definition Smith gave in that decade to the concept of the natural price of a given commodity, was claimed to have indicated that he chose as a model of economic analysis an economic society exclusively consisting of independent producers. In contrast, NIIMURA claimed that the way Smith grasped component parts of a price at that time did not solely relay on the grasp of the independent producer model, but also relied, the presenter claimed, on the capitalist production model. The presenter went on to claim that when Smith grasped component parts of prices on the basis of the capitalist production model, Smith claimed that a price consisted of such components as wage, profit, and rent. The presenter concluded that when Smith had come to consider price composition in terms of the capitalist production model, he took the first step toward the systematization of economics which was epitomized in *the Wealth of Nations* published in 1776.

3. Shoji TANAKA (Hitotsubashi University) also made a presentation on Adam Smith's economic thought in 1760s. According to TANAKA, when Smith observed the division of labour and market prices of commodities at that time, he pointed out that wage, profit and rent were component parts of market prices by observing the formation of capitalist social relationship. When he attained a theoretical recognition, however, that the market price had a tendency to become identical with the natural price in the long run, he still remained on a stage where he stipulated the concept of natural price on

the basis of a model of a society consisting exclusively of independent producers. As a result, at this stage of the development of his economic thought, he still regarded profit merely as an excess of price brought about by the excess of the market price of a commodity over the expense of its production. He did not at that time regard profit as an additional value produced by labourers subordinate to capital, that is, as surplus value. After stating this, TANAKA admitted that Smith recognized that what he claimed as commercial society was one which included the capitalist social class. He went on to claim, however, that when Smith attempted to systematize the commercial society in order to work out its economic laws, he was unable to go further than a theoretical model based on independent producers.

4. Sohichi ONUMA (North Japan College) discussed in his presentation Adam Smith's definition of productive labour as defined in his '*Wealth of nations*' published in London in 1776. Although Smith defined productive labour as 'the labour which adds to the value of the materials, that of the maintenance of labourers, and of their master's profit', on the one hand, he also defined the same as 'the labour which fixes and realizes itself in some vendible commodity', on the other hand. According to ONUMA, when Smith defined productive labour in the latter manner, he assumed social conditions in which wage labourers exist in juxtaposition with independent producers and that the phenomenon of convention currents were manifest between the two. Therefore, he gave productive labour a definition which was not linked with the production of surplus value.

5. Hiroyasu SHIMA (Tohoku University) took up in his presentation a variety of treatises by D. Ricardo, T. R. Malthus, E. West, and R. Torrens at a time when controversy arose over the revision of the Corn Laws between 1814 and 1815. He attempted to classify theories of profits by using the criteria of differences to grasp the relationship between profit and diminishing return in agriculture.

6. Hiroshi KITAMI (Waseda University) took up in his presentation (J. B. Say's work, '*Cours complet d'economie pratique*', published in Paris between 1828 and 1829, and considered changes in Say's view after the publication of his '*Traite d'economie politique*', published in Paris in 1803. In particular, the presenter attempted to clarify the theoretical achievements of Say in his late years.

7. Kiyoshi TACHIKAWA (Chuo University) discussed how J.S. Mill considered the problems of developing backward and undeveloped areas. According to TACHIKAWA, Mill considered productive activities motivated exclusively by the pursuit of exchangeable values and profits as the universal condition for promoting wealth, and he thus considered that the development of backward areas would also be promoted by their developing into commodity economies though this would damage their subsistence economies. TACHIKAWA believed that Mill did not pay any attention to the question of securing autonomy as national economies in backward areas.

8. Satoshi YAMASAKI (Kagawa University) made a presentation on the interrelationship between the demand for 'Cheap Government' on the history of fiscal policy in Great Britain in the 19th century and Classical Political Economy. According to YAMASAKI, the then Political Economists emphasized the necessity reducing national ex-

penses over against the national income whereas the then radicals upheld the demand of 'Cheap Government', and, the presenter claimed, that radicals demanded an absolute reduction of expenses by going a step further than the demand made by Political Economists by enlisting the academic theory of taxation as advocated by Classical Political Economy.

In addition to the above-discussed presentation, Takeo AGE (Osaka University of Economics) made a presentation on the concept of 'Real price' as advocated by Adam Smith. Also, Toshihisa IKEDA (Fukuoka University) made a presentation entitled 'Formation of Ricardo's Theory of Value'.

(Takuya HATORI)

THE JAPAN ASSOCIATION OF ECONOMICS AND ECONOMETRICS

The 1985 annual conference of Japanese Association of Economics and Econometrics was held at Tohoku University in the western suburbs of Sendai on September 22 and 23, 1985. As usual, the great majority of Japanese economists attended this meeting. Seventy-eight papers were presented in twenty-one sessions and two panel discussions were held.

There were fifteen sessions on the topics of general theme: Macroeconomic and Microeconomic Theories, Problems of Economic Theory, Game Theory and Theory of Social Choice, Expectation and Competitive Equilibrium, Economic Analysis of Wage and Employment, International Trade and International Finance, Applied Microeconomics, Economic Analysis of Taxation and Public Policy, Urban-Regional Economic Analysis, Theory and Application of Econometrics, and Applied Econometrics. At the same time, six sessions on specific topics were held.

In the sessions of Macroeconomic and Microeconomic Theories, a paper entitled "Optimal Mobility of Workers in a Macroeconomic Model with Labour Contracts" by Takatoshi ITOH (University of Minnesota), a paper "Conspiracy of Imperfect Information" by Koji TAKENAKA (University of Tokyo), and a paper "Product Selection with Imperfect Information" by Masayoshi MARUYAMA (Okayama University) were reported.

In the session of Problems of Economic Theory, a paper entitled "Characterization of Agreeable Plans in a Continuous-Time Dynamic Model with Heterogeneous Capital Goods and Some Applications in Other Fields of Economics" by Keisuke OHSUMI (Kumamoto University) and a paper "A Consideration on the Unanimity Theory" by Mikio ITOH (Keio University) were presented.

In the sessions of Game Theory and Theory of Social Choice and of Expectation and Competitive Equilibrium, a paper entitled "On the Nash Social Welfare Function and the Continuity Axioms" by Mitsunobu MIYAKE (Tsukuba University), a paper "Bargaining for an Information Good with Externalities" by Mikio NAKAYAMA (Toyama University), a paper "Competitive Equilibrium Cycles" by Kazuo NISHIMURA (Tokyo Metropolitan University), and a paper "On the Efficiency of a Monetary Competitive Equilibrium in the Overlapping Generations Model" by Mariko YOSHIDA (Tokyo Metropolitan University) were given.

In the sessions of Economic Analysis of Wage and Employment, a paper entitled "Distribution Effect of Full-Employment Policy" by Denzo KAMIYA (Keio University), a paper "Labour Contracts and Efficiency" by Masao TAKESHIMA (Keio University), and a paper "Wage and Promotion in Internal Labour Market" by Morinori HOSOE (Kyushu University) were introduced.

In the sessions of International Trade and International Finance and of Applied Microeconomics, a paper entitled "Economic Growth and International Payments" by Michihiro OHYAMA (Keio University), a paper "Incentives and Enforcement under

Share Contracts: Taxcab in Kyoto“ by Keiji OHTSUKA (Tokyo Metropolitan University) and his associate Naoki MURAKAMI (Tokyo Metropolitan University), and a paper “Advertisement and Welfare” by Tetsuji ONO (Waseda University) were offered.

In the sessions of Economic Analysis of Taxation and Public Policy, a paper entitled “Income-Asset Distribution and Rate of Saving in the Postwar Japan” by Tsuneo ISHIKAWA (University of Tokyo), a paper “Pareto Optimality of General Equilibrium for an Income Tax Economy” by Yukihiro FUNAKI (Toyo University), and a paper “Optimal Supply of Public Services and Public Capital Formation” by Noritoshi ARIYOSHI (Kyushu University) were given.

In the sessions of Urban-Regional Economic Analysis, a paper entitled “Regional Productive Contributions of Agglomeration and Social Capital Stock: A Case of Japanese Manufacturing” by Ryohei NAKAMURA (Kinki University), a paper “Underemployment Equilibrium in a Spatial Economy” by Masaki NAKAGOMI (Aoyama Gakuin University), and a paper “Optimal Cities with Indivisibility in Production and Interactions” by Ryoji KANEMOTO (Tsukuba University) were reported.

In the sessions of Theory and Applications of Econometrics and of Applied Econometrics, a paper entitled “An Asymptotic Expansion of the Distribution of the Cox Test for Non-Nested Linear Regression Models” by Masafumi TANIUCHI (Tohoku University), a paper “A Flexible Dynamic Model of Multiproduct Technology for the West German Economy” by Shinichiro NAKAMURA (Waseda University), a paper “Traditional and New-fashioned Hedonic Price Indexes of U.S. Domestic Passenger Cars” by Makoto OHTA (Tsukuba University), and a paper “Variable Selection Procedures for Single Equation Estimation Methods by Computer System OEPP” by Haruo OHNISHI (Tsukuba University) were offered.

In other sessions, for example, a paper entitled “A Model of Industrial Development in Semi-Industrial Countries” by Yushi KUBO (Tsukuba University) in the session of Analysis of Economic Development, a paper “Impact of Treasury Investment and Loan on the Markets of Finance and Commodities” by Naoyuki YOSHINO (Saitama University) and his associate Masa OGURA (Saitama University) in the session of Banking and Financial Market, and a paper “Market Structure and Investment in the Research Development: Positive Analysis by Simultaneous Determination Model” by Kazushi SUZUKI (Development Bank of Japan) in the session of Theory and Positive Analysis of Investment were presented.

These are only a few examples of all the papers prepared for this year's conference, but they give an indication of the scope of the conference.

(Kunio KAWAMATA)

THE JAPAN ASSOCIATION OF ECONOMIC GEOGRAPHERS

The Association of Economic Geographers holds its national convention very spring; it also holds regular meetings several times a year at its three branches of the Kanto chapter, the Chubu chapter, and the Kansai chapter. The Association publishes its academic Journal, 'the Journal of Economic Geography' on a quarterly basis.

The 1985 National Convention was held at Aichi University on May 25 and 26, and on the following day, an inspection tour was held to explore the changing Toyokawa river basin along the Toyokawa irrigation channel. The common theme for the convention was 'Changes in Regional Economies brought about by Internationalization;' this theme was predicated upon the progress of the internationalization of the Japanese economy in recent years and new developments brought about in its process. Yoshiyuki KITAMURA (Toyo University) and Toshio NOHARA (Chukyo University) served as moderators and pre-appointed discussants made comments on the five presentations after which there was general discussion. Of the five presentations, three discussed agriculture, industry, and port facilities, while the remaining two papers were more general.

First, Ken'ichi SHINDOH (Sapporo University) focussed his attention on the conditions which will make Japan's beef-cattle production internationally competitive, and examined the case of a large-scale stock farm in Hokkaido, and reported the actual farming conditions awayed by the on-going process of internationalization and problems involved therein. In commenting on this presentation, Terutoshi ISHIHARA (Okayama University) suggested a number of measures to enhance the international competitiveness of beef-cattle farming. At the same time, he stated that it is necessary to maintain firmly protective systems for the industry.

Next, Yasuo MIYAGAWA (Aichi University of Education) referred to the progress of the internationalization of the Japanese manufacturing industry over the years. In attempting to understand this, he emphasized the necessity of paying attention not only to the economic and managerial aspects of the on-going process of internationalization but also to its societal and cultural aspects. This presentation was mainly concerned with the automotive industry. In contrast, Shoji GODA (Gifu University) referred to the intensification of international competition in the product market which underlines the scalling-down of the textile industry, and the effect this had on a great number of regional economies.

The presentation made by Sachiko ENDOH (Ochanomizu Women's University) discussed changes in overseas trade resulting from the growth of container traffic and its effects on ports and harbours. Shuhei KONNO (Fukui Medical College) developed the theme of ENDOH's presentation on the development and implications of container traffic.

The fourth presentation made by Toshifumi YADA (Kyushu University) focussed attention on the links between internationalization and domestic regional economies, in both high and low economic growth periods. The last presenter, Masanori KOGA

(Hitotsubashi University) examined the effects the expansion and progress of 'mutual interdependence' of the national economy had on domestic regional economies on three levels of enterprises, the national economy, and world economy.

In commenting on YADA's and KOGA's papers, Kenji YAMAMOTO (Hosei University) emphasized the differences between the two presentations. YADA concentrated on 'comparative advantage' as a trigger mechanism ultimately affecting changes in the nation's industrial structure, which caused the rise and fall of domestic regional economies. KOGA however, highlighted the role of the multi-national corporations, and considered the movement of the factors of production across national boundaries to be 'internationalization', and, thus, indicated the effects it had on domestic regional economies.

Pre-assigned discussants led the talk after the papers and there was vigorous general discussion. SHINDO commented on the improvement of the self-sufficiency ratio and the government's attempts to protect domestic food production. Toshio AOKI (International College of Commerce and Economics) commented on the fostering and nurturing of feed production base. Syogo YUIHAMA (Okayama University) questioned the success of the Livestock Industry Promotion Council in encouraging the international competitiveness of livestock production.

Basing himself on the preceding comment made by GODA, MIYAZAWA pointed out that there are good and bad effects from internationalization. Akira NAGAOKA (Meiji University) reminded the audience that there could be many different responses by agriculture, industry, and ports and harbours to internationalization.

KOGA asked the conference to consider the effects of foreign enterprises, setting up a plant in any given regional economy. What were the plant location strategies of the multinational corporations in global terms?

Toshiaki KONO (Hitotsubashi University) claimed that there are three tiers in internationalization; the first is centered on trade, the second is centered on production by multinational corporations, and the third is concentrated on capital, financing, and information. And he stressed the necessity of considering new location factors on the second and third stages. In response, KOGA outlined the historical shifts in plant locations, and stated that it is difficult to discuss plant locations in generalized terms at the present moment.

On the internationalization of labour Yoshie ITO (Keio University) asked what effect the introduction into Japan of cheap labour from abroad would have on labour wages, and would the international competitiveness of industries such as the textile industry be damaged? There were additional contributions from the floor raising topics like the utilization of southern Kyushu as a labour supply base, on non-economic aspects of labour force, and on international migration of work force.

As relates to the final point, i.e., the significance of internationalization, ISHIHARA claimed that the internationalization of agriculture as well is inevitable, and stressed the necessity of imposing a certain set of regulations on this to head off the uneven development of domestic regions. Yoshio OKUDA (Chuo University) pointed out that it is difficult to generalize about internationalization for expectations vary at different times.

To wind up the Convention, Association President Tetsuro KAWASHIMA (Hannan University) commented as follows. The process of internationalization has many aspects including commodities, capital, and labour force. In addition regional economies including port, agricultural and industrial areas are also affected. The process also influences national economies and extends further impinging on international regional economies and transcending national boundaries. KAWASHIMA reminded his audience that it is impossible to resolve such a major issue as the common theme of this convention within this forum. Each member should himself in his work take some responsibility to consider the theme individually and independently.

(Goichi TSUJI)

JAPAN ECONOMIC POLICY ASSOCIATION

The Japan Economic Policy Association was first organized in 1940, and since then, it has held annual national conventions. Presently, the Association has over 1,000 members.

When the 20th national convention was held in 1960 at Nihon University, the theme for discussions was "The Role of the State in Contemporary Japanese Economy", and twenty five years later we have returned to this theme for the 1985 national convention.

In 1960, the main discussions focussed on the role of the government in a mixed economy system, with a major emphasis on the need for establishing a welfare state. Now, 25 years later, a whirlwind created by President Reagan, has re-vitalized the idea of the free market economy. In Japan the government's role in the market economy is being to be reconsidered; 'small government', rather than a 'big government', has become the dominant idea in this regard.

However, this does not mean that a classical interpretation of the 'laissez-faire policy' in which the government does not interfere, is called for. The theory and reality of 'market failure', and the need for government to interfere to correct 'market failure' is clear to every economist. Putting aside a consideration of the validity of Arthur Cecil Pigou's ideas and its policy implications, what policy researchers are concerned with is the relationship of market insufficiency with taxation and subsidies. Nevertheless, if the idea of 'small government' is deemed appropriate at this time, then we must be able to evaluate the role of the government which, after all, has contributed to the growth and development of the Japanese economy.

The following three papers were presented for discussions at the 1985 national convention on the theme, "The Role of Government in the Japanese Economy".

- (1) "The Role of Government in Postwar Japanese Economic Policy" by Tatsuro UCHINO (Sophia University)
- (2) "Social Security and Public Finance" by Sei FUJITA (Osaka University)
- (3) "Industry and Roles of Government" by Yutaka HARA (Aoyama Gakuin University)

First, UCHINO discussed the role of the Government over seven periods, especially in the postwar era. Leaving aside the postwar rehabilitation period, the Japanese economy persistently followed the line of regression to market, and UCHINO noted that the 'oil crisis' was solved with the market principle. He also emphasised that administrative reforms are essential in the movement towards an economy that is highly based on the market principle.

However, this raises the question whether the revised environmental regulations and adjustment policies on external trade are supplementary market policies or are merely ad-hoc measures. In reviewing UCHINO paper, specifically its emphasis on governments role in securing social justice in the community, it is clear that the above policies are not mere ad-hoc measures. Although UCHINO's idea is supportive of

“small government”, the basis for that is not clearly stated in his paper.

Sei FUJITA's paper deals with the same subject from the point of view of social security. FUJITA supports the idea that taxes should be utilized for the purpose of financing welfare. He holds the view that without an efficient social security system, it would be difficult for government to obtain the support of the public, and in that sense, the theory of 'small government' raises serious questions on the idea of 'big government'. From FUJITA's standpoint, it was inevitable that 1972 become the year for initiating a comprehensive welfare system. By keeping welfare distinct from the trend in the pursuit of efficiency in the market economy, the idea of taxation for welfare emphasizes the dualism of 'big government' and 'small government'.

Yutaka HARA's paper on "Industry and Roles of Government", deals with the subject of the government's large-scale, direct and indirect participation in the field of industrial policy. He accepts that 'big government' has contributed to the industrial development in Japan, but it is not clear in his paper whether the lesser involvement of a 'small government' will serve as a basis for the further advancement of the Japanese industry.

Judging from the movements of things, it seems clear that it is no longer necessary to have large-scale government participation. This will mean that the continued presence of the 'big government' poses problems, not simply from the point of view of the quantitative scale of government's direct participation in the economy, but also from the points of view of intervention or administrative guidance with investments and loans or subsidies. The point is, 'small government', specifically that which provides welfare should not be denied. But "big government", especially that which maintains or expands bureaucratic control should be avoided. This suggests that our attention must concentrate on the analysis of activities of administrative bodies. The above point would provide an answer to the issue raised by Hisao ONOE (Kyoto University) who remarked that the level of government participations does not necessary make it a 'big government', and wondered why the fact of government participation should raise criticisms. On this matter, Naomi MARUO (Chuo University) pointed out that Japan has a 'small government' in a quantitative sense, but in the sense of regulations, it could be taken as a big government. Besides, as Ippei YAMAZAWA (Hitotsubashi University) commented, it is not appropriate to say that Japan's regulatory administration has not grown accustomed to the market, but it should be said that both regulations and deregulations could, depending on situations, worked as the means for revitalizing the market. It is an important point we should not overlook in reconsidering the role of government in the Japanese economy.

Thus, the surface serious defects of the Japanese administration which simultaneously possess both 'small' and 'big' features. The positive effects of both regulations and deregulations are not coordinated. Furthermore, there are no mechanisms to bring about adjustments between the market and its externalities, or efficiency and welfare. The solution may be in the direction of 'corporatism', or may be found in James Macgill Buchanan's theory of government, as referred to by Hiroshi TANIGUCHI (Fuji Junior College). After all, the key for solving the above problem lies in the analysis of the moti-

vation for activities by each of the vertically divided administrative functions.

Given the above issue that has been raised on government and regulations in Japan, I will suggest the theme for the 1986 national convention should be the “Privatization & Government Regulation: Concerning Problems of Privatization”.

(Hiroshi KATO)

JAPAN FINANCE ASSOCIATION

Development in business finance in recent years has been so substantial that many scholars in this field thought it would be useful, to get together regularly to discuss various issues on finance theories. With this in mind the Japan Finance Association was founded in 1977. Since then, we have exchanged and developed views and ideas.

The 9th national conference of Japan Finance Association was held at Seikei University in Tokyo on October 4-5, 1985 to discuss the theme of "the Business Finance Theory and Adjacent Sciences". Nine papers were presented, as follows:

Hidetoshi YAMAJI (Kobe University) reported on "New Developments in Accounting and its Impacts on Business Finance Theory". He explained how the analytical view-point in conventional accounting had been transformed under the influence of new business finance theory. He introduced the agency theory as a new view-point into the analysis of accounting information and gathered some empirical data and analyzed them. He also examine the contributions of accounting information to the security investment, making use of security pricing theory based upon the efficient market hypothesis.

Michio KUNIMURA (Nagoya City University) presented his paper on "Accounting Information and Business Finance Theory". He analyzed the relationship between stock price and accounting information available in corporation financial statements. Yutaka TOMINAGA (Tokyo University of Economics) discussed "The theory of objectives in Financial Decision Making and Adjacent Sciences". First he identified some of the disciplines which were in the neighborhood of financial decision making function in business finance, and described the relationships among them. He used extensively the theory of business institutions which was developed in West Germany in recent years. He also looked at the new trends in the study on the theory of the firm in Japan.

Takanori KOJIMA (Kyoto Gakuen University) gave his report on "Signaling Model of Capital Market", evaluating the model by S. Ross, and H. Leland and D. Pyle. Subsequently he examined the model by S. Bhattacharya who criticized Ross's model. It is widely known that corporate financial policies function as signals for the future returns.

Yoshimi MIURA (Aikoku Gakuen Junior College) introduced his study on "Use of Warrants in Financing and Related Laws". He referred to some of the advantages in the use of warrants in financing which were introduced in Japan recently. From the point of view in utilizing this vehicles of financing to lower the cost of financing and to diversify the securities employed in businesses firms, he examined Commercial Law, Security Exchange Law and Foreign Exchange law which were related to the issue of warrants, and pointed out some of the features of the laws in Japan which were different from laws in foreign countries. Finally, he argued that Japanese Commercial Law prevented the Japanese warrants from functioning properly.

Saburo HORIMOTO (Shiga University) presented his paper under the heading "Business Finance and Econometrics — on the Measurement Problem of Market

Model— ” The market model developed by H.M. Markowitz and W. Sharpe is represented as follows:

$$R_{it} = a_i + b_i R_{mt} + e_{it}$$

and the usefulness of this model was examined by E.F. Fama, M. Blume, M. Aoyama and S. Sakakibara. He reexamined the problems of measurement in the market model as well as reviewing and summarizing the previous studies. He referred to some issues such as the instability of coefficient b_i , the reduction in explanatory power of the model and some other points in his report.

Yoshiro KURATANI (International College of Commerce) reported on “Business Finance Theory and Artificial Intelligence — An Application of Expert System to the theory of Business Finance —”. He discussed that there was a good possibility that we could apply the expert to develop the theory of business finance. He understood that the expert system was being developed steadily as one of the applied areas of artificial intelligence and it was assisted by the development of the fifth generation computer. He first clarified the differences between the expert system and the decision support system which had complementary function to the expert system, and subsequently proposed a model which contained the intelligence data and the inference mechanism to help a financial manager to choose the best vehicle in capital financing of the firm.

Yoshiro OGURA (University of Tokyo) referred to “Business Finance Theory and the Theory of Business Administration — The Framework of Business Finance Theory and its Orientation —”. He argued how the theory of business finance could be posted in the perspective of general theory of business administration which had been evolved along the development of international enterprise. He concerned about the theoretical framework and orientation of managerial finance as an area of general management theory. He discussed the importance of understanding the role of the financial manager in the organization in order to give the theory of managerial finance the right position in the overall picture of general business administration.

Goichi KATAYAMA (Fukuoka University) gave his report on “Business Finance Theory and Management Economics — Monetary Capital, Capital of Individual Business Unit, Divisional Capital and Total Capital of Society —”. His argument was based upon the theory of Marxian managerial economics. He first explained the hypothesis of individual capital in the theory of managerial economics and introduced a new idea of the capital of individual business unit which was different from the concept of individual capital. He related it to the theory of capital circulation in the framework of the business finance as well as business management. The circulation process of capital was well explained with respect to the well known Marxian production formula: $K-W-P-W-K$. He focused upon the fundamental functions of money in the circulation process of capital. In the final stage of his presentation, he defined the functions of the theories of corporate finance, capital budgeting and cash management in the area of business finance in the overall picture of general managerial economics. This was the only paper presented which gave the Marxist view-point.

The 10th national conference of Japan Finance Association is scheduled to be held at Nanzan University in Nagoya, on October 3-4, 1986. The unified theme will be New De-

velopments in managerial finance.

(Shinobu MURAMATSU)

JAPANESE ASSOCIATION OF FISCAL SCIENCE

The 42nd annual meeting of the Japanese Association of Fiscal Science was held in Ritsumeikan University on October 5 and 6. The common themes of the meeting were four and they were (1) the general review of the public finance in the Showa 50's (or the decade from 1976 to 1985), (2) specific aspects of budget compilation and execution, (3) specific aspects of taxes, and (4) specific aspects of public expenditures. Several other papers were read not related to these topics.

The session discussing the first common theme of "General Review of the Public Finance of the Showa 50's" was held in the afternoon of the first day and three reporters made presentations. Susumu SATO (University of Tokyo) reported his observations on the changes of fiscal relations between the central government and local government. He characterized this decade as that of an increasing tension between the central government and the local government and suspected that the failure of coordination between the interests of the two layers of government is one of the factors which have prevented the success in carrying out the administrative reforms. He stressed the need to pay more attention to the different roles and positions of different kinds of local authorities. He also suggested that with the trend of an increasing urbanization the priority should be given to proper urban policies. The second reporter was Kazuo HIGO (Seikei University) and discussed "Basic Structure of the Tax System of the Showa 50's and the Future Tasks". He chose as the starting point of his analysis the Shoup tax system recommended by the Shoup Mission on the Japanese Tax system which shaped the post-war tax system of Japan. He pointed out a number of serious deviations from the original Shoup tax system which was logically consistent and comprehensive to encompass the taxation of both income and wealth. He also pointed out that two basic preconditions had to be met in order to have a successful administration of the Shoup tax system. These preconditions are (1) sufficiently accurate information available to the tax administration of tax bases, both income and wealth, and (2) no distortion of the tax system by the political pressure groups. The reporter considers that these conditions have not been met and therefore indirect taxes such as the general consumption tax may better meet the rule of horizontal equity. The third reporter was Yoshitsugu KOTANI (Osaka University of Economics) who discussed the problem of "Aggravation of Fiscal Crisis". He analyzed the causes and structures of the present fiscal crisis. According to him, it is part of the crisis of the Japanese capitalism in the stage of state capitalism. He points out the public investment policy of the past which helped the accumulation of capital, an increasing defence expenditure, various preferential treatments of big corporations and high income class people, and the traditional incrementalism in the compilation of budget. He then pointed out specific problems arising from the fiscal crisis, namely the loss of flexibility of budget, inequitable redistribution of income and wealth due to enormous amount of interest payment for the debt outstanding, and the crowding-out of private investment accompanied by inflation.

At the session for the second common theme held on the second morning, there were three reporters. The first speaker was Kazuo YOSHIDA (Ministry of Finance) and discussed the "Optimal Level of National Debt". The next speaker was Tadashi USHIJIMA (Nagoya City university) who discussed the issue of "Fiscal Reconstruction and Budget Compilation". He tried to evaluate the proper functioning of the budget by examining the extent to which the budget performs the functions of management and planning. He concluded after studying relevant indicators that it has become increasingly difficult for the budget to give proper room to the management and planning functions. The third reporter in this session was Haruo TANIGAWA (Institute of Tax System and Management). He discussed "Characteristics and Problems of the Present Tax System". He pointed out the characteristics of the Japanese tax system during this decade such as a substantial increase of the ratio of tax and social security contributions burden to GNP, a rise of share of direct taxes, and a decline of tax revenues in the total revenues. Then he discussed many specific aspects of the present tax system which require close scrutiny and remedy. He expresses a suspicion over a realism of "small government" and anticipated the future increase of tax and social security contributions burden. Thus, the determination of priority must be strictly reviewed from the standpoint of the equity principle.

The sessions on other two common themes were held simultaneously on the second afternoon. One was the session to discuss specific aspects of the tax system. Akira UCHIYAMA (Yahata University) reported the "Critical Analysis of the Policy of Shifting the Weight to the Indirect Tax System". He pointed out that the policies of tax increase and of structural change of the tax system were constantly pursued during this decade. The creation of large-scale indirect tax has been at the core of such policies. He would have preferred a democratic tax reform without resort to the large-scale indirect tax. He pointed out a number of problems created by such a tax as inequitable distribution of tax burden and unfavorable effects upon the level of prices. He concluded that the tax system should be firmly established on the core of income tax in spite of present defects. The second speaker was Hiromitsu ISHII (Hitotsubashi University) who reported on "Measurement of Tax Burden by Income Class — in Search of Equity, Neutrality and Simplicity of the Taxation". He tried to review the present tax system from the criteria of equity, neutrality and simplicity. As one indicator of inequity of taxation, he measured the gap between the potential tax revenue if the comprehensive tax base is used for the income tax and the actual tax revenue. He also conducted a simulation analysis on the basis of a more simplified tax system with the revised progressive tax rates and income deductions. The third speaker was Sei FUJITA (Osaka University) who discussed the theme of "Welfare Deductions in the Income Tax — the Past Developments and the Future Tasks", emphasizing the coordination between the social security system and the tax system. There are a number of welfare related deductions incorporated in the income tax systems. He examined the nature and the specific mechanisms of each welfare deduction in the light of significance of objectives of each item, and checked whether the present form of welfare tax deduction is better than the form of social security benefits and whether the present welfare deduction form is the best form

to achieve such welfare objectives. On the basis of such an analysis, he gave specific recommendations as to how the welfare deductions should be improved.

The last common theme was specific aspects of public expenditures. Akira YAMADA (Nagoya City Junior College for Women) discussed the "Transformation of Public Investment" by analyzing the past trends of public investment and then indicating new trends of public investment and related problems. The second speaker was Yo ICHIKAWA (Tsukuba University) who presented the "Estimates of the Future Social Security Expenditures and Burdens upon the People". He expressed the deep concern over the prospect of enormous burden for social security, both for pensions and medical expenses. On a number of plausible assumptions, he gave estimations of the future social security burden. The reporters of the third paper entitled "significance of Defence Expenditure Increase" were Minoru ANDO (Shizuoka University) and Tomoyoshi SUMI (Hosei University). They analyzed the causes of a recent rapid increase of defence expenditure in relation to the Japan-US Security Treaty.

(Masatoshi HAYASHI)

JAPAN ACADEMY FOR FOREIGN TRADE (JAFT)

I.

The 25th annual general meeting was held at Nihon University in Tokyo on May 27 and 28 1985.

Some these papers had taken up chosen theme on "A survey of Japanese trade after the second World War". Yoshio SAITO (Chuo Gakuin University) presented his view of compensatory trade after the second World War. Takashi ISHISE (Aichi Gakuin University) proposed several measures for import promotion and suggested the establishment of an American Style Free Trade Zone. Katsuyoshi NISHIDA (Kumamoto College of Commerce) introduced discussions on the liberalization of service trade in the Congress of U.S.A. Tokuo INOUE (Fukuoka University) reported on methods of settlements in the international trade. Yukio KATAOKA (Hiroshima College of Economics) reported "On the charactor and present existing condition for the development of Special Economic Districts in China". Keiyoh UMEDA (Himeji Junior College) suggested "The strategies for success in international joint venture business". Hideyuki WAKUI (Rikkyo University) reported on "Accumulating Mechanism of Korean Capitalism". Ryuzoh TAKAYAMA (Nihon University) suggested "Direct Foreign investments and alternative export problems". Shigeto MOROGAMI (Meiji University) analyzed "The international standarization of marketing activity by Japanese enterprizes". Syokei TABATA (Kinki University) reported "Organization specialities of Japanese manufacturing subsidiaries in U.S.A.". Isami UCHIZAKI (Mukogawa Women's College) reported "Therty-five years of Credit investigation business in the export insurance system". Osamu KATOH (Takachiho College of Commerce) suggested "Some consid-eration with 1980' year's incoterms". Shigeo IRIE (Yokohama College of Commerce) reported "On the trade ratio problems of primary products". Kimio KAWAHARA (Nagasaki College of International Economics) suggested "Alternative economic strategies in Australia". Takao MUKAI (Osaka College of Foreign Language) reported "Strategies for the Renewal of Technology Transfer Agreements". Tomoyuki YOSHIDA (Kansai University) reported "A study for combined transport document".

Memorial speeches were given by

- (1) Dr. C.S. Pyun (Memphis State University, U.S.A.) "Japanese Direct Foreign Investment in Developing Countries: An Analysis and Extention of the Kojima Hypothesis".
- (2) Etsuji KINOSHITA (Shimonoseki City University) "Japan in Asia" — from the view of world market — .
- (3) Dr. Mitsuko Duerr (San-Francisco State University, U.S.A.) "Women in Business in Two Countries, Japan and the U.S.A."

A speech in welcome party; Professor Edwin C. Duerr (San-Francisco State University U.S.A.) "On the Trade Problems between Japan and U.S.A."

II.

The 26th annual general meeting was held at Shimonoseki City University in Yamaguchi prefecture on May 10, 11 1986. The common subject was "Problems in Asian Trade".

Three members made presentations Mituso HONDA (Nihon University) reported "The trades in Japan and neighbour Asian countries industries". Shinkon Pak (Yunsei University, Korea) reported on "Potential and realized patterns of trade between Korea and Japan". Kenichi ENATSU (Kansei Gakuin University) reported on "The problems for the management of international enterprises in China".

(Misaki IWAMOTO)

THE JAPANESE SOCIETY OF INSURANCE SCIENCE

The Society aims to study the theory and practice of insurance and also to contribute to the inter-disciplinary development of insurance science. One of the characteristics of this society is that the member includes not only university researchers but also businessmen from insurance and other companies.

The Society held its 1985 national convention at Doshisha University on October 19–20. Nine reports were presented. The following six reports were published in *The Journal of Insurance Science*, (Tokyo, No. 511–512, 1985–1986.): “La Tesi <Pragmatista> e Giurisprudenza” by Kaoru IMAI (Kyoto Sangyo University), “Les Conventions entre Compagnies d’Assurance et l’Assurance Automobile en France” by Yoshiro YAMANO (Aichi Gakuin University), “Investment Activities of Japanese Life Insurance Companies in Early Stage of the Industry” by Yasuhisa SATO (Meiji Mutual Life Insurance Company), “Abolition of Abandonment in Cargo Insurance” by Mitsugu KANDA (Tokyo Marine and Fire Insurance Co., Ltd.), “On the Locus of Adjustments of the Social Insurance (especially Public Pensions) System in Japan and Its Meanings” by Akira KASHIHARA (Kobe Gakuin University), and “Financial Revolution and Financial Planning” by Mitsunobu MIYAHARA (The Research Institute of Life Insurance Welfare). The other three are as follows:

“Uncertainty and Insurance Demand” by Shigemori ISHIDA (Fukuoka University), “Financial Liberalization and Property-Liability in the Insurance Business” by Yutaka MAEKAWA (Keio University), and “Historical Role of Social Insurance in Britain” by Tadayuki OSHIO (Meiji University).

Apart from these presented at the convention, other papers were presented at the Society’s (regional) meetings in the Kanto and Kansai areas. Among them, six reports included in the journal, (Tokyo, No. 510–511, 1985.) were as follows:

“The Size and Economic Efficiency of the Japanese Life Insurance Companies in 1977: Implication for Economies of Scale” by Tomio IGUCHI (Ryukoku University), “An Economic Study of the Competitive Insurance Market” by Kunikazu OKAMURA (Hiroshima Shudo University), “Mutuality of Insurance Institution in Modern Mutual Company” by Yoshihiro YAMAUCHI (The Life Insurance Association of Japan), “Corporate Communication with the View of Accilimatization to Social Change for Life Insurance Industry” by Nobushige FUKUHARA (Nippon Life Insurance Company), “An Approach to the Analysis of Market Structure of Life Insurance” by Kazukiyo NOZAKU (Ministry of Posts and Telecommunications), and “The Study of the Pre-History of Co-operative Insurance” by Hitoshi HIRAI (Insurance Federation of Agricultural Co-operative Association). The title of other five reports, presented in the (regional) meetings, are as follows: “Disclosure and Obligatory Answer in Life Insurance” by Shigenori UETA (Asahi Mutual Life Insurance Company), “A Note on the Economic Role of the Insurance Institution” by Satoshi TAMADA (Osaka Commercial College), “The Amalgamation Movement in the British Insurance Business, 1890–1929”

by Takao YONEYAMA (Kyoto Sangyo University), "The Intervention of Management in the Employee's Insurance Decisions" by Tatehiko FUJITA (Hiroshima Shudo University), and "Legal Liability for an Accidental Fire from Structures" by Masao TODE (Nippon Fire and Marine Insurance Company).

To the 1985 Korean Insurance Academic Society convention, the Japanese Society sent Koichi OHTANI (Waseda University) and Yoshifumi ANEZAKI (Kobe University of Commerce). In return Hahseogh KOO (Sung Kyun Kwan University) and Ryang-Kon KOH (Chonpnk University) attended the Japanese convention from the Korean Society.

Society Chairman Eiichi KIMURA (Hitotsubashi University) attended the annual convention of the German Society of Insurance Science on March 12-14, 1986, in Köln.

(Shoji NEDACHI)

THE JAPAN SOCIETY OF INTERNATIONAL ECONOMICS

The 1985 (Forty-Fourth) annual conference of the Japan Society of International Economics was held at Meiji University on October 26 and 27, 1985. There were one symposium and eleven other sessions.

The main theme for the symposium was "Structural Changes in the Postwar World Economy: Retrospect and Prospect". Four papers were presented: Kenichi ODAWARA (Sophia University) reviewed trade theories explaining the development of world trade in the postwar period. He specifically examined the effect on trade of economic growth, technical progress, environment and the development of high-technology products.

Rokuro TSUCHIYA (Chuo University) surveyed the changes observed in the international monetary system and international money markets for the past forty years. He took an optimistic view of recovering a sound international monetary system by concluding a new Bretton Woods Agreement. On the other hand, he reported a pessimistic scenario that the international monetary system might degenerate into a state of chaos occurred in the 1930s.

Makoto IKEMA (Hitotsubashi University) critically evaluated Japan's trade policy in the process of its trade liberalization in the 1960s and trade frictions occurred in the 1980s. He pointed out that when Japan aimed at freer trade, it actually posed another restrictions on its trade. He expressed some skepticism about Japanese intentions towards freer trade.

Etsuji KINOSHITA (Shimonoseki City College) examined the postwar world economic development, focusing on the international economic system, North-South relations and the present situation of capitalism.

In addition to the symposium, the following papers were presented in the sessions. Kensei BIWAKI (Kokusai Commercial College) analyzed the relationship between life-time employment system and Japan's comparative advantage. Noboru HAMAGUCHI (Waseda University) estimated total factor productivities and examined inter-industry and international dependence of Japanese and U.S. industries.

Three papers were referred to the rates of foreign exchange: Toshio KURASHIMA (Matsusho Gakuen Junior College) discussed problems relating to the country's choice of an exchange rate system; Shigeo TANI (Takushoku University) examined empirically the relationship between purchasing power parity and exchange rates; and Jiro HASHIMOTO (Soka University) conducted an empirical analysis on the factors which determined the rates of exchange.

Three papers covered development strategies: Noriyuki MIYAGAWA (Waseda University) reported on the newly industrialized countries in Latin America; Masaki YOKOYAMA (Shikoku Gakuin University) and Jun TOZAKI (St. Paul's University) on Asian countries; and Noriaki MATSUNAGA (Kobe University) on Bangladesh.

In the session on theoretical analysis, Masayuki HAYASHIBARA (Sapporo University) constructed a cash-in-advance model to detect the effect of economic policies in the general equilibrium framework. Yasunori ISII (Yokohama Municipal University)

examined on International trade theory under uncertainty. Fumio DEI (Kobe University) explored the welfare effect of foreign capital inflow. Katsuhiko SUZUKI (Kansai Gakuin University) studied the Heckscher-Ohlin theorem with international capital movement.

The following seven papers covered the problems of specific countries and areas: Hideyuki WAKUI (St. Paul's University) gave a Marxist analysis of the Korean economy. Buichi MINAMURA (Kagoshima University) reported on postwar reform in Italy; Haruo ITO (Kanagawa University) on the effect of war economy in the Middle Eastern countries; Zhangxin YOU (International University of Japan) on the Chinese economy and its impact on East and Southeast Asian countries; Takeshi MURATA (Kanazawa University) on agricultural protection in Germany in the nineteenth century; Ryoichi MOURI (Japan College of Social Welfare) on the conditionality of financing by the International Monetary Fund in the developing countries; and Ryozo YAMAMOTO (Chuo University) on the evaluation of public investment in the developing countries.

Other papers are as follows: Giichi MIYASAKA (Kyushu Industrial University) on international staff system; Shoshichi SUGIMOTO (Kyoto University) on U.S. multinational enterprises; Shigeo NAKAO (Osaka University of Economics) on the development of U.S. banks in the 1980s; Masahiko ITAKI (Kyoto University) on the direct investment of multinational enterprises; Koichi OKUMURA (Tokyo Keizai Shinposha) on information frictions; Torazo UEDA (Hachinohe University) on trade frictions; Takaaki OHNISHI (Nagoya Gakuin College) on intra-industry trade; Yukio KIHARA (Tokyo University of Economics) on labor productivity and the values traded goods from a Marxist point of view; Mutsumi OKADA (Ryukoku University) on future economics and future economic system; Masahiro SAKAMOTO (Japan External Trade Organization) on the cost-benefit analysis of international public goods; and Hideki FUNAZU (Otaru College of Commerce) on export insurance.

The next annual conference will be held at Hiroshima University on October 11 and 12, 1986. The main theme will be "International Economic System: Idea and Reality".

(Toshiko TANGE)

THE JAPAN SOCIETY OF MONETARY ECONOMICS

The Autumn General Conference of 1984 was held at Hokkaido University on 2 and 3 September. The common theme was 'Changes in the Financial Structure'. Three papers were presented under it. Yoshio OKUBO (Ministry of Finance) argued that three developments are symptomatic of the recent changes in the financial environment. The first is the liberalisation of financial transactions, the second is the internationalisation of finance (as much as 38 per cent of the assets of the metropolitan banks are now the foreign-currency or overseas assets), the third is computerisation. These changes are making it very difficult to maintain the existing clear-cut division of work among the different categories of the financial institutions. In order to avoid unnecessary complications it would be desirable for the authorities to show to the public their prospect and plans for the future of the financial system. It is also necessary to strengthen the prudential control and the deposit insurance scheme.

Hajime KOIKE (Bank of Japan) said that the transition to lower growth meant that the demand for transactions balances and for the bank borrowings has been lessened, so that businesses now have idle funds, which they invest in securities and wholesale deposits. This has led to the development of the open wholesale markets. However, the financial environments will undergo even greater transformation during the next decade. Firstly, most of the national bonds floated in vast quantities will come to maturity. Secondly, the development of the communications technology will facilitate the arbitrage transactions and thus small interest rate differentials may trigger large-scale fund transfers. Thirdly, the internationalisation of the yen will broaden the scope for evasion of domestic regulations and controls. Thus, the liquidity and interest rate risks for the banks will increase. Particularly sudden withdrawals of wholesale or interbank deposits may threaten the stability of the banking system. Although a catastrophe may be prevented by the central bank's ability to grant loans of last resort, tighter prudential control of the banks and of the interbank market will be necessary in the future.

Tsurukichi UGAI (Hokkaido Takushoku Bank) pointed out that the lifting of restrictions on the switching of the foreign currency funds into yen will facilitate the arbitrage operations between the domestic and foreign markets and will make the liberalisation of the interest rate inevitable. The open markets are also growing apace. The proportion of the market funds to the total funds in employment of the metropolitan banks rose from 6.6 per cent in 1965 to 20.6 per cent in 1983. The business firms' holdings of the open market assets increased sevenfold between 1976 and 1983. On the other hand, their foreign bond issues in 1983 surpassed their flotation of domestic bonds for the first time in history. They have, however, reduced their reliance on bank borrowings. There is also a tendency for them to concentrate their dealings to one (main) bank. This is because they need the bank's information services and also because they want to be prepared for rainy days. In an era of the electronic banking a bank can only survive by providing better information, better financial instruments and better services. In conclusion, banks should renovate and innovate themselves to weather the difficult times to

come.

Koichi HAMADA (University of Tokyo) and Yasuo NORITAKE (Kobe University) gave comments on these papers.

The Spring General Conference of 1985 was held at Waseda University in Tokyo on 1 and 2 June. The common theme was 'Financial Innovation and Monetary Policy'. Five papers were presented under it.

Hiromichi TANIGAWA (Ministry of Finance) said that the interest rate arbitrages between the wholesale bank deposits and the open market instruments are becoming very active, so that the interest rates on the former will have to be liberalised in the near future. This will make it difficult to leave intact the existing statutory business demarcations among the different categories of the financial institutions. It may also become more difficult to maintain order in the financial markets. There are three relevant problems: (1) capital adequacy, (2) disclosures and (3) mergers. The gearing ratios of the banks have had a secular tendency to rise. This is because the risks of loss were not great under the regulated system of the past. With liberalisation, however, risks of loss will become real, so that we should pay more attention to capital adequacy. Disclosures of business informations can serve useful purposes in ensuring prudence on the part of the banks' managements. Liberalisation and mechanisation may make the economies of scale reassert itself in the banking world, which may lead to more mergers taking place. We should also expand our deposit insurance scheme to a considerable extent.

Kinzo SHIMA (Bank of Japan) pointed out that the efficacy of the monetary policy has not so far been very much impaired by financial innovation. This is mainly due to the stickiness of deposit interest rates. When the Bank pushes the open market rates up, funds flow out of the banks into the open markets, with the consequence that the banks are obliged to curtail their lending. However, the deposit interest rates are now being liberalised, so that such a control method will not be sustainable in the future. Business firms and households, however, have now become more sensitive to interest rate variations. With higher rates they reduce their spending in order to pump more money into the markets. In such circumstances, the open market operations to control the volume of the banks' cash reserves will become more important. Financial innovation, however, may increase risks and may lead to profit squeezes for the banks. Although this may in part be compensated for by new developments, including the genesis of opportunities for hedging against risks, such as the financial futures, some marginal institutions may be unable to adapt themselves to new environments and fall into difficulties. We should pay more attention to the maintenance of order in the system.

Takeshi SAITO (The Fuji Bank) maintained, although the money supply has become the main target of policy from about 1975, this does not necessarily mean that the authorities have been converted to monetarism. In fact, the money supply may be construed as the dummy variable representing the banks' lending attitude, that is, the availability effect. Mr. Y SUZUKI of the Bank of Japan observes that the interbank market interest rates have exerted the principal influences upon the banks' lending attitudes. The metropolitan banks, however, have been chronically short of funds and have been dependent upon borrowings from the Bank, so that they have had to comply with

been dependent upon borrowings from the Bank, so that they have had to comply with the Bank's Madoguchi Shido (moral suasion). Even if the call loan rate temporarily surpassed the lending rate, they could not call in their loans, because this would have hurt their good relationships with the customers. In the future, financial innovation may impair the value of the money supply as the policy target, because it will destabilise the velocity of circulation. However, in the absence of a better alternative, we must continue to rely on the money supply, but the Bank must change its control method from the Madoguchi Shido to the control of the supply of reserves to the banking system.

Naomichi HOSAKA (Kobe University of Commerce) argued that we can divide the money supply in two parts and write, $M = xM_O + (1 - x) M(i, x, \alpha)$, where x is the weight, M_O is a part of money which can be controlled exogenously, i is the interest rate, Y is the real income and α is the exchange rates. The financial innovation tends to lower the value of x . On the other hand, the banks' sensitivity to the interest rates is increasing because they are now more dependent upon the market funds. As the interest elasticity of $M(i, Y, \alpha)$ rises and as its weight increases, it may become necessary for the authorities to diversify their policy instruments and to set greater store by the control of the interest rates.

Toshiya HANAWA (Hitotsubashi University) said that the financial innovation has conferred monetary characters to the short-term national bonds and thus is threatening the very foundation of the bank money and its control mechanism. The internationalisation of finance also tends to detract from the efficacy of the monetary policy. Using J. Niehans' asset transformation curve it can be shown that the liberalisation of the deposit interest rates raises the welfare of the asset-holders, but that the share of the banks in the financing process is reduced because the asset-holders decrease their bank deposits in favour of the primary securities. It can also be shown that the internationalisation causes them to shift from the domestic to the foreign bank deposits. The asset-holders can thereby lower their risks and raise their welfare, but the domestic banks will be unfavourably affected by this transition.

(Shizuya NISHIMURA)

THE ACADEMIC ASSOCIATION FOR ORGANIZATIONAL SCIENCE

The Academic Association for Organizational Science aims to foster interdisciplinary studies of organizations. During the academic year of 1985–1986, the Association held two national conventions as well as monthly seminars, and also published a quarterly journal, *Organizational Science*.

The annual meeting of the Association was held at St. Paul's University in Tokyo over the two-day period, October 19 and 20, 1985. The common theme was "Environmental Change and Self-Organizing". We are now experiencing a vast environmental change which has no historical precedent. Under these circumstances, self-organizing is crucial for organizations to function and to survive. Twelve papers were given, which identified various important aspects of the contemporary environmental change, and analyzed patterns and mechanisms of self-organizing.

The titles and authors of the twelve papers were as follows:

Morning Session of October 19

- (1) "Management Action and Organizational Innovation" by Masao TAO (Kyoto Prefectural University)
- (2) "The Turnaround Processes of Organizations" by Yoichi KOMATSU (Konan University)

Afternoon Session

- (3) "Environmental Change and Innovations of Labor Unions" by Shiro UMEHARA (Japanese Federation of Electrical Machine Workers Unions)
- (4) "Japanese Business Organization: Future Tasks" by Ryuzaburo KAKU (Canon Inc.)
- (5) "Technological Innovations and Self-Organizing" by Konomu MATSUI (St. Paul's University)
- (6) "The Organization as a Living System" by Hiroshi SHIMIZU (University of Tokyo)

Morning Session of October 20

- (7) "Power Games in the Information Age" by Kiichi KAGEYAMA (Tokyo University of Economics)
- (8) "Innovations of Governmental Organizations" by Wataru OMORI (University of Tokyo)

Afternoon Session

- (9) "The Creation of New Japanese Management Systems" by Akihiro OKUMURA (Keio University)
- (10) "'Association' for Solidarity and Cooperation: Case Study of a Cooperative Movement" by Yoshiyuki SATO (Waseda University)
- (11) "Environmental Change and Structural Change of Management Organization" by Ken'ichi TOMINAGA (University of Tokyo) and Takenori TAKASE (Kansai University)

(12) "Conservatism in Mass Society" by Susumu NISHIBE (University of Tokyo)

Some of the papers mentioned above were published in *Organizational Science*, Vol. 20, No. 1 (1986).

Another national convention, a seminar meeting, was held at Osaka University on June 7 and 8, 1986. The main purpose of the seminar meeting is to encourage individual research of the Association members as opposed to the annual meeting which focuses on a common theme. A total of twenty-two papers were presented at the 1986 meeting. The topics of the papers which were of a conceptual or empirical nature covered a broad range from leadership in relation with intersubjectivity, power-over vs. power-with, productivity of white-collar workers, productivity and organizational climate, to competitive strategy based on technological innovations, international comparison of management of technological development, management of the PR department, to analyses of "tanshin-funin", current organizations offering prenatal and infant care and services, adaptive behavior of organizations in times of disaster, and to models of organizational adaptation, logistic growth of organizations, organization of organizations, etc. Mr. T. WANG (Institute of Qualified Personnel Resources of State Science and Technology Commission, People's Republic of China) was invited to this meeting and gave a speech on "Development of Qualified Personnel in China". Summaries of the papers presented will be published in *Organizational Science*, Vol. 20, No. 3 (1986).

At the meeting there was also a ceremony at which the Association for Organizational Science Award of 1985 was given to Tsuneo SASAKI for *Henri Fayol* (Tokyo, Bunshindo Publishing Co., 1984) and to Haruo MURATA for *The Philosophy of Management* (Tokyo, Bunshindo Publishing Co., 1984).

At the monthly seminars, the following research reports were presented: (1) "Organization and Environment: Rational and Natural Perspectives" by Tamiki KISHIDA (Nagoya University), (2) "Organization Theory for Holonic Management" by Yukio KITAYA (Long-Term Credit Bank of Japan), (3) "A Japan-U.S. Comparison of the Process of Introduction of Innovations" by Seiichiro YONEKURA (Hitotsubashi University), (4) "Marketing Strategies for the Future" by Fumio MIKURIYA (Johnson Company, Ltd.), (5) "Impact of Information Technology on Business Organization" by M. MANHEIM (Northwestern University), and (6) "Garbage Can Model: Essence and Value" by Yushi ENTA (Hosei University).

Organizational Science usually focuses on a specific theme although it can include a few papers on independent topics. The themes of *Organizational Science* during the academic year were: "Centralized Functions in Corporate Organizations" (Vol. 19, No.3), "Transition Management" (Vol. 19, No. 4), "Environmental Change and Self-Organizing" (Vol. 20, No. 1), and "Goal Formation of Organizations" (Vol. 20, No. 2).

The next annual meeting will be held at Keio University in Tokyo on October 25 and 26, 1986. The common theme of this meeting will be "Changes in Power Relations in Contemporary Industrialized Society".

Finally, we report with deep sorrow that President Susumu TAKAMIYA passed away in Shanghai in June 1985, after the 3rd Japan-China Symposium of Business Management. He had been the President of the Academic Association for Organization-

al Science since 1963. Without his dedication and leadership, the Association would not have flourished as it has. We pray for the peaceful repose of his soul.

(Toshiko FUTAMURA)

JAPAN SOCIETY FOR PERSONNEL AND LABOUR RESEARCH

This society was established in 1971 with the aim of encouraging personnel and labour research activities in Japan in academic and industrial fields.

The fifteenth annual meeting was held at Aichi Gakuin University on June 1 and 2 1985. The special subject was "basic issues of personnel management", including those relating to theories and small businesses. Is the theory of managing labour in the work place adequate? And how do we help small businesses to solve the problems of technological progress, information innovation, growth of women power, changes in workers' attitudes, diversification of people's needs, and individualism?

Special Issues

"Rewards and encouragement for personnel managers in the U.S." by Yasuo SUGANO (Toyo University)

"Basic issues of modern personnel management" by Hiroshi SHIMA (Doshisha University)

"Office automation and personnel management — possibilities of participative management" by Ryo KANDA (Meiji Gakuin University)

"Does commitment to personnel management depend on the age and size of the firm?" by Mitsuru WAKABAYASHI (Nagoya University)

"Problems of aging personnel management" by Akira NISHIJIMA (Tokyo Metropolitan Government)

"The internal labour market theory revisited — the nenko wage system: automatic wage increases for senior workers" by Yoko SANO (Keio University)

"Practical issues of personnel management" by Kenzo TAMAI (Toyota Automotive Company)

Other papers were given on,

"Personnel problems of again population in firms — present and future —" by Yasuo OHASHI (Aichi Gakuin University)

"Increasing internal labour mobility within corporate groups — shukko (loaning) of senior labour force: sending-out to related companies" by Hitoshi NAGANO (Aoyama Gakuin University)

"Issues and perspectives of private welfare in small businesses" by Akira MATSUMURA (Doshisha University)

"Problems of safety and sanitary management in small businesses" by Hirokazu TANAKA (Kacho Junior College)

"Establishment of modern personnel management in the United States — Qualitative changes in labour and the establishment of structured internal labour markets —" by Toshitaka YAMANOUCHI (Asahi University)

"Automatic wage increases for senior workers — a comparison of the wage systems of major five corporations in Japan —" by Fumihiko HIRANO (Yokohama College of Commerce)

“Ownership participation in West Germany — The present circumstances and its limits —” by Kazuhiro OHARA (Hokusei Gakuin College)

“Introductory remarks of meaning of working research” by Takeshi MURASUGI (Osaka Institute of Technology)

“A comparison between Japan and the U.S.A. in quality central activities” by Yasuaki SHIROTO (Nagoya University of Commerce)

“Personal interviews of female managers” by Masanaka HATTORI, Fusako BABA, Yuichi UEMURA and Koichi ONO (Asia University)

“A study of factors determining ranges of management (part II) — a case study of company S —” by Mamoru SANO, Yoshitoshi EMI and Naohito CHINO (Aichi Gakuin University)

Additional comments “Humanization of work” was referred to by Hiroshi SHIMA which should encourage workers’ motivation and increase productivity of labour, and at the same time it should enlarge workers’ possibilities to make their lives more varied and more interesting.

Tsutsui discussed the implications of an equal employment opportunities law, Nishijima explored the problem of an aging work-force, other members contributed to finding solutions for own labour problems.

The highlight of the year was to establish a Research Fund to aid Young Staff Members. This was funded by former presidents of this association, Goro MORI and Mikio SUMIYA. Three papers were nominated to receive the first awards at the annual meeting of 1986 from the above papers for 1985.

(Yoko SANO)

JAPAN ASSOCIATION FOR PLANNING ADMINISTRATION

This Association (established in 1977) functions as a pluri-disciplinary forum open to academic researchers, government administration and business managers who share the central objective of strengthening the scientific basis for an integrated treatment of planning (science and ideology) and administration (organization and technology).

The 8th Annual Congress was held at Tohoku University on November 9 and 10 1985. Its central theme, "Planning Administration for the Next Generation", was shared by one Symposium and four Specialized Sessions dealing with (I) transportation and communication, (II) agriculture, forestry and fishery, (III) public health and welfare and (IV) internationalization of society, respectively. In addition, two free-topic sessions were held where altogether 16 reports were presented on theoretical and practical aspects of planning administration.

The Symposium on "The Experience and Future Outlook for the Shinkansen Era", chaired by Hideyuki OKANO (Tokyo University) focussed on the case of the new Tohoku Shinkansen with regard to its broadly ostive effect on the adjacent prefectures. The discussions centred on (i) the economics of Shinkansen and (ii) organizational and fiscal aspects of its management and future extension possibilities. Attention was drawn particularly to the merit of a leasing approach for fixed cost financing, the effect of the proposed privatization and regional divison policy upon-re-integration and revitalization of existing unprofitable local lines, and the fiscal planning which would contribute to absorption of prospective external economise of new investment and thus to local self-help in relatively poor districts. The panel included Makoto SHIBAUCHI (Iwate Prefecture), Shigeru SEKIGUCHI (Nihonkeizai Shimbun), Hiroshi KATO (Keio University), Haruya HIROOCA (Hosei University), Kazuo AMANO (University of Tokyo), and Koichi BABA (Iwate University).

Session I, Chaired by Yoshizo NAGANO (Kyoto University), dwelt on the role of airports in community development with contributions from Hiroshi MASUO (Municipality of Itami) and Hiroshi TOMOTOSHI (Okinawa University); the problem of inter-modal coodination in planning the increasingly diversified systems of transportations was discussed by Shuhei KONNO (Fukui Medical College), and the relationship between telecommunication and passenger traffic by Yuichi NAKAMURA and Fumio HASEGAWA (Tokyo University).

IN Session II, Zennichi ITOH (Tokyo Women's Christian University), chairman, spoke of the element of commerce and information being increasingly blended into agriculture in the face of deversified demands. Attention was drawn to the challenge of biotechnology to farm management by Kiyoshi KAYABA (Miyagi Prefecture), the need for an effective participatory approach to forestry preservation in economically depressed regions by Iwao MORI (Research Institute for Forestry Administration) and the potential of fish culture in place of fish capturing by Tamio SAITO (Sanrikukunjosha, Ltd.). In addition, Takeshi KATSUMATA (Yamagata University) reviewed the

socio-cultural aspects of the structural transformation of village life in Japan.

For **Session III**, Koichi EMI (Teikyo University), chairman, stressed the planning linkage required as between the issues of human life cycle and local community organization. Masami GEMBA (Kansai Institute of Planning Technology) offered a case history of relatively successful local health administration. Yoshihisa WATANABE and Takeshi TSUBO (Institute of Hospital System Development) presented a multivariate health planning technique incorporating local environmental variables, and an evaluation of the Technopolis program in terms of locational planning of health and welfare activities, respectively. Hiroshi ICHIKAWA (University of Tsukuba) presented a survey study dealing with problems of rehabilitation and re-employment of convalescent (hemodialytic) patients.

At **Session IV**, Miyoei SHINOHARA (Kokusai Commercial College), chairman, stressed the need for re-examining our domestic institutional structures in relation to the new international responsibility facing Japan. Tsuneo UNNO (Prime Minister's Office) reviewed the nature of trade conflicts since 1971. Masamitsu MORI (Osaka University) took up the problems being expected as a growing number of foreign students arrive in Japan, Tesshu KOSHIBA (North Japan College) examined the role of small and medium firms in the intra-industry transactions of manufacturing in Japan, and Kenshi MATSUYAMA (Economic Planning Agency) discussed the prospect of intra-industry trade development between developed and developing countries in the Pacific region.

Among the other reports presented at the Congress, the following four deserve special mention in view of the originality of their analytical approaches.

- (1) Toshinori NEMOTO (Fukuoka University) and others offered a typological analysis of the controversies regarding the multiplier effects of public investment with attention to the element of value judgement as reflected in different evaluation indices, selection criteria and policy targets adopted by different analysts.
- (2) Tsuneo FUJITA (Sangyo Noritsu College) adopted in his "Cognitive Mapping Approach to the Analysis of Planning Process" the Axelrod type mapping of causalities and produced the results of a time-series analysis applied to the case of a certain road construction project.
- (3) Tatuo BANNO and Sadanori KUMADA (Tokyo Institute of Technology) offered an empirical analysis of the role of "personal network" in the mechanism of planning in a pluralistic society, using a sample of cities involved in the development of the Teletopia Plan in Japan.
- (4) Misaaki NAGATA (Research Institute of the Japan Trade Association) presented a three-sector econometric model designed to simulate the effects of public policies on industrial employment, trade balance and fiscal positions in the region of Hokkaido.

(Mikoto USUI)

JAPAN SOCIETY OF POLITICAL ECONOMY

The 33rd annual convention of Japan Society of Political Economy was held at Kyushu University on October 19 and 20, 1985. The common theme was "Ownership and Control today in Giant Corporations".

On the morning of October 19, two sectional meetings were held for free topics, and researchers who presented reports were Nobuo ISAGAI (Saga University), Masao WATANABE (Hitotsubashi University), Tetsuya SANADA (Hitotsubashi University), and Keiji MORIOKA (Hiroshima University).

That afternoon, three sectional meetings were held. At the first meeting, three researchers — Masaaki SHIMIZU and Noriko MAEHATA (Hosei University) and Yoshihiro TAKASUKA (Hitotsubashi University), have reports on the theory of economic crises. At the second meeting, reports were presented, on the theories of imperialism and modern capitalism, by Toru MATSUHASHI (Kanagawa University), Tadashi SANAKA (Hiroshima University) and Takao KAMAKURA (Saitama University). At the third meeting, reports were made on the Japanese economy by Kazunari ABE (Yamaguchi University), Kunio KAMIYAMA (Josai University), and Minoru SEKISHITA (Ritsumeikan University).

On October 20, a symposium was held on the theme of, "Ownership and Control today in Giant Corporations".

First, Isamu KITAHARA (Keio University) gave his report, "Ownership and Control by the *Corporation Itself*". According to his report, the result of several empirical studies shows that because of increases in the number of stockholders accompanied by an enlargement of scale resulting from the rapid concentration and centralization of capital by monopoly capital, and, on the other hand, a dispersion of stock-ownership accompanying the succession of stockholders to property, there appeared a tendency for the percentage of stockholdings by major stock-holders in large corporations to decrease rapidly, and the dispersion of stock ownership in most of the giant corporations is so considerable that it is difficult to recognize the existence of major stockholders who can always control the decisions of the general meeting of stockholders freely.

Under these circumstances not only does indirect ownership of the real capital become completely nominal for the majority of stockholders, but even major stockholders lose the power to enforce their will by constantly controlling the decisions of general meetings, and they are apt to become a passive factor which can exercise influence only in emergencies.

Here a relationship evolves and matures in which the real capital of the corporations becomes independent from each stockholders and the direct ownership of the real capital becomes separated from the stockholders, and the fact that the direct ownership of the real capital rests in the *corporation itself* makes its appearance as it is. Furthermore, giant corporations reserve a considerable part of their profit realized and acquire funds at little cost as capital increases premium through the issue of new stocks at the market price. That part of corporate properties which is increased by inner reserves or the pre-

mium is owned both in name and reality from the beginning by the *corporation itself*.

The *corporation itself* can be said to be the personification of capital. As for real capital as huge "socialized capital", its personification cannot be an individual, natural person, but must be a *corporation itself*.

Kenji TOMINOMORI (Hokkaido University) presented on "Ownership, Management and Class, in the 'Corporate Capitalism'".

TOMINOMORI paid attention to "Corporate Capitalism" which is now widely observed in advanced capitalist countries, including Japan. He particularly put stress on the crucial point found in the complexity of ownership relationship. The 'Ownership' here indicates the unification of the proprietorship, which provides the legal rights to dispose of the objects, and the exercise of the right. Therefore, the ownership is fundamentally the issue of upper structure. The ownership in corporations has been diversified from the very beginning of them, in a way that the proprietorship of the real capital = company assets belongs to the 'company itself' whereas the proprietorship of stocks belongs to the natural person-stockholders.

The 'corporation itself', however, is unable to exercise the proprietorship, and the exercise of proprietorship should be done by natural person. In the corporations, of the fundamental sense, the exercise of proprietorship for the 'company itself' was done by large stockholders.

In Corporate Capitalism, large stockholders, who were large enough to exercise such rights, faded away as a result of the dispersion of stocks and the enlargement of institutional stockholders, so that 'management group' took over their positions. Under such a peculiar style which is particularly widely found in Japan institutional ownership became pivotal, and the control by management groups founded to be universal phenomenon.

Although the proprietorship, which is the main axis of ownership, stay with institutional stockholders, management group still should be defined as 'semi-capitalists', so far as they join in the ownership as the actual executor of the proprietorship.

Lastly, Kazuichi SAKAMOTO (Ritsumeikan University) gave his report, "Organization and Control of Contemporary Giant Corporations".

SAKAMOTO reviewed the debates concerning the ownership and management in contemporary giant corporations. On this occasion, SAKAMOTO referred to the problems of ownership and management in contemporary giant enterprises, from the standpoint of organizational corporate theories.

A characteristic, observed in the current age, is the obvious alienation of 'ownership as a rightful (legal) relation' from 'ownership as a virtual relation'. In economics, the problems of the latter are more important. In the current situation, the world of 'ownership as a virtual relation', which controls the usefulness in the feudalistic society, is revived. An important point in viewing such 'ownership' is the decision-making angle or the vision under the theory of business leadership.

In the organizational development of giant enterprises, which further enlarges the role of business leadership, there are two stages. The first stage signifies the dualism of stockholders and administrators under the formation of a corporation. There, a problem

concerns who would take the business leadership. The second stage signifies the functional advancement of business leadership along with the organizational development of mammoth enterprises, and administrators would command the business leadership. In more specific view of this development, companies of vertical integration will come up from simple-functioning companies, and then, companies of an integrated type will be formed. This multi-business integrated organization has different significance from the conventional factors in a qualitative sense. The capital-management functions, which existed still then in the form of stock ownership, will be connoted in the business organization, and the function will be taken over by the top management. The supreme decision-making function will be purified as capital management function, and at the same time, the decision-making function of individual business management will be decentralized, and an organization which integrates the decentralization and concentration of decision-making, will be set up.

Concerning these three reports, comments were given by Suguru USHIYAMA (Kyushu University), Mizuho NAKAMURA (Meiji University), and Kazuo SHIBAGAKI (Tokyo University). Then, a lively general discussion ensued with the audience joining in. The symposium was presided by Satoshi NAGASAKA (Oita University), Teinosuke OTANI (Hosei University), and Mitsuhiko TSURUTA (Chuo University).

The 34th annual convention of the Society is arranged for 4th and 5th of October, 1986, at Meiji University, and the common theme is "The International Position of Japanese Capitalism".

(Teinosuke OTANI)

THE POPULATION ASSOCIATION OF JAPAN

The Population Association of Japan was founded in 1948 with the aim of studying scientifically demographic phenomena from the viewpoint of many disciplines, including economics, sociology, statistics, anthropology, geography, ecology, medicine and the biological sciences. The membership of the Association consists of researchers from many disciplines. The main activities of the Association are to publish "Jinkogaku Kenkyu" (The Journal of Population Studies) once a year and to hold annual general meetings. The latest issue of the Journal was Number 9 published in May 1986.

The 37th Annual Meeting was held in Nagasaki City on May 17 and 18, 1985. The Meeting was hosted by Nagasaki University School of Medicine under the chairmanship of Professor Taiichiro TAKEMOTO of Nagasaki University. The scientific program of the Meeting included one symposium, two special sessions, and five general sessions in which a total of 23 papers were presented, covering such topics as aging, fertility, household demography, nuptiality, divorce, internal migration and population policy.

The Symposium was entitled "The Population of China". The chairmen were Minoru MURAMATSU (Institute of Public Health) and Hiroshi KAWABE (Institute of Population Problems). The following three reports were presented:

1. Population Trends, by Shiro SHIMAMURA (Nomura Research Institute)
2. Population Policy, by Keiko WAKABAYASHI (Institute of Population Problems)
3. Problems of Food and Agriculture and Population, by Yasuhiko YUIZE (Chiba University)

Discussions on the above three reports were further amplified by the comments presented by three discussants assigned to each of the above three topics: Yasuko HAYASE (Institute of Developing Economies), Yoshikuni ISHI (Josai University), and Toshinobu KATO (Asia University).

The theme of the population of China is one of the most popular topics in Japan at present attracting much attention not least from the mass media. In organizing this Symposium, the Association hoped to keep the discussion scientific and objective. The first paper attempted to evaluate the demographic data published in China, the second described the current Chinese population policy with special reference to the one-child family, and the third raised certain difficulties relating to food production and population growth. The discussion focused on serious doubts regarding the reliability of the published population data, how the Chinese policy of one-child family would work in economic and political terms, especially in the future and some bright as well as gloomy aspects of food-population relationship in China. The discussion was of considerable value in that a wide variety of views were put forward although no unanimous conclusion could have resulted.

The two special sessions mentioned above dealt with (A) Use of Life Tables in Population Studies and (B) Determinants of Fertility.

Session A on the Use of Life Tables in Population Studies was organized by Hiroji ESAKI (Fukuoka University) and chaired by Kazumasa KOBAYASHI (Nihon Uni-

versity) and Masanori KOBUTO (Nagasaki University). Three papers were presented: (1) Demographic Models and Life Table Theory, by Tatsuya ITOH (Institute of Population Problems), (2) A Use of Life Tables in the Medical Field: Segmented Cohort Analysis of Trends of Mortalities from Selected Causes of Death, 1947-82, in Japan, by Takao SHIGEMATSU (Fukuoka University), Zenji NANJO (Fukushima Medical College) and Fujiro HISANAGA (Fukuoka University), and (3) Theory of Life Table, by Shigekazu HISHINUMA (Institute of Gerontology of Japan).

Session B on the Determinants of Fertility was organized by Shigemi KOHNO (Institute of Population Problems) and chaired by Hidehiko HAMA (Seijo University) and Hiroyuki KANEKIYO (Asia University). The following three papers were presented: (1) Determinants of Fertility: Sociological Approach, by Makoto ATOH (Institute of Population Problems), (2) An Economic Analysis of Fertility, by Naohiro OGAWA (Nihon University), and (3) Fertility and Migration: A Human Ecological Perspective, by Hiroshi KASHIWAZAKI (University of Tokyo).

In addition to these sessions, there was one plenary session in which the President of the Association, Professor Kazumasa KOBAYASHI (Nihon University) gave an address under the title "In and Around Demography".

The 23rd regional meeting in Kyushu was held in August 1985 in Minamata City, and the following 24th meeting was held in January 1986 in Fukuoka City.

(Minoru MURAMATSU)

THE JAPAN SOCIETY OF PUBLIC UTILITY ECONOMICS

The Japan Society of Public Utility Economics was founded in 1949. The aim of the Society is to foster studies and conduct investigations on public utilities from political economic and technical standpoints, and to improve the general conception of public services, so as to induce a healthy development and thus contribute to public welfare.

The main activities of the Society are to publish *The Journal of Public Utility Economics*, thrice yearly and to hold an annual national conference.

The 36th national conference of the Society was held on May 30 and 31, 1986 at Dokkyo University, Soka-city, Saitama Prefecture. The overall theme in 1986 was "The Market Structure and Management Strategy of Public Utility". Under this theme eight reports were presented together with three reports under the free themes.

The subjects and summaries of these reports are as follows.

- (1) "Between Rationality of Economy and Logic of Politics" by Kenneth S. COURTIS (Keio University), with interpretation by Kyohei TERADO (Japan Tobacco Industries, Inc.): Regulated industries are often regarded as an instrument to attain specific social and economic objectives. In this sense, the logic of their development is essentially political. On the other hand, they have to face an economic competition within the framework of "globalization". Therefore, they are under two restrictions. The reporter analyzes this situation and submits a practical perspective for the management of regulated industries.
- (2) "Railway Market Structure and Management Strategy" by Hiroshi OKADA (Dokkyo University): Recently, railway transportation service market has been confronted with a structural change. The reporter analyzed the management of the Japan National Railways in comparison with private-owned railway companies. He stressed the necessity of business diversification for JNR's management improvement.
- (3) "Telecommunication Industry Under Deregulation" by Naoto KANO (Osaka Gakuin University): This paper examined the radical changes in this industry caused by technological innovation, the privatization of NTT, deregulation and the impact of customers' demand. The reporter picked up some possible problems, such as the role of the consumer and competition between NTT and new common carriers.
- (4) "Features of Public Utility Regulation" Eijiro NAWATA (Kansei Gakuin University): It is very interesting to consider the relation between politics and economy of regulated industries. The reporter used the American natural gas industry as his example, discussing the impact of deregulation.
- (5) "Monopoly and Competition in the Electrical Power Industry" by Jun-ichiro FUJIWARA (Keio University): Recently, natural monopoly theory of electric power industry has been challenged by the development of the "cogeneration" system. The reporter introduces an argument on the "cogeneration" in West Germany and ponders the issue in Japan.
- (6) "Corporate Diversification Strategy and Its Performance" by Yukio HARADA (Nihon University): Japanese firms diversify their business to improve a portfolio of

managerial resources, to open up a new market, to reinvigorate the organization, and so on. The reporter submitted a couple of indicators on the performance evaluation of the corporate diversification strategy. He pointed out that one of the most important reasons for rapid growth of Japanese firms is their successful diversification strategy.

(7) “Outline of JNR Reform and Problems To Be Solved” by Kiyotake INABA (Management and Coordination Agency): In his comprehensive survey the reporter considered how to achieve success of the Japan National Railways Reform.

(8) “Change of the Market Structure and Management Strategy in the Gas Industry” by Ichiro MATASIRO (Senshu University): Since the oil crisis in 1973, the market structure of the gas industry has changed dramatically. The reporter tried to consider the management strategy of the gas industry to cope with such a situation.

Three additional reports under free themes were given.

(1) “A study on the Practical Use of TV Conference System” by Masaru MIYAJIMA (Tokyo University of Technology) and Hiroshi NOBUTOKI (Recruit, Inc.)

(2) “German City Finance and Municipal Enterprises” by Mitsuo SEKINO (Kyoto University)

(3) “A Study on the Rate Structure of Industrial Water Supply” by Yosizumi KIZAKI (Waterworks Bureau, City of Osaka)

A part of these reports were published in *The Journal of Public Utility Economics*, Vol. 38, Nos. 1-3.

The 37th annual national conference is scheduled to be held at Kansai University in Osaka on May 1987 under the unified theme “Public Utilities in the Information Age”.

(Shusaku YAMAYA)

THE JAPAN SECTION OF THE REGIONAL SCIENCE ASSOCIATION

In 1985, the Japan Section of the Regional Science Association held its annual domestic conference, sponsored the fourth Japan-Australia Regional Studies Workshop, the 9th Pacific Regional Science Conference, and issued *Studies in Regional Science — the Papers and Proceedings of the Japan Section of RSA* — (Chiikigaku Kenkyu), Vol. 15.

I. Domestic Conference

The 22nd Annual Conference of the Japan Section of the Regional Science Association (RSA) was held at Otaru College of Commerce in Hokkaido from September 28 to 30, 1985. The main theme, under which three reports were presented was "Development of the Information Society and the Fostering of Regional Industries". Yuzo SOTANI (Advanced Systems Technology Development, Inc.), who suggested that, for local authorities to be encouraged to accept the need for more information, the development of the function of information collection, distribution, and data processing were necessary;

The second reporter was Makoto NOBUKUNI (Saitama University). He discussed the relationship between regional science and regional economy. He pointed out that, although regional economics would be able to overview and evaluate the situation of regional economy, it seemed to be difficult to prepare some new policy in which efficiency and justice were taken into account.

Yasuo SAKAKIBARA (Doshisha University) criticized over optimism on the information society.

The fruitful and constructive discussions between these three reporters and the four discussants, Ryoji OIKAWA (Chuo University), Fujio OKAZAKI (Setsunan University), Tsurukichi UGAI (Hokkaido Takushoku Bank, Ltd.) and Masatake MATSUDA (Japanese National Railways), were highly appreciated by all participants.

Five common themes were adopted for the sessions in the conference. In the session on "Urban Analysis", six reports were presented: Yoshiro HIGANO (Toyohashi University of Technology) and Yuji MATSUMURA (University of Tsukuba) "Reorganization of Greater Tokyo", Makoto YAMAGUCHI (University of Tsukuba) "Macro Analysis of Land Use Pattern, Population and Industry Tendency in and around Large Metropolitan Area", A.M. THIRUMURTHY and Etsuo YAMAMURA (Hokkaido University) "Intermediate Public Transport Analysis in Madras", Masahiro ARIMA (Kobe University of Commerce) "A Note on Equilibrium Spatial Structure of City with Externalities", Yoshiro HIGANO (Toyohashi University of Technology) "Monopolistic Land Market Model in the Metropolitan Area, and Hiroyoshi KOUZU (Tokyo Institute of Technology) "Analysis of External Effects of Public Goods in Residential Area".

In the session of "Land Use", three reports were presented: Jun IZUMI (Urban Economic Institute) "Survey of Utilization of Unused Land in Land Readjustment Pro-

ject Area”, Osamu SATO (Institute of Behavioral Science) “Distribution of Business Space Density in CBD”, and Susumu KASE (Kyoto University of Industrial Arts and Textiles) “Problems of Land in the Context of Land Use Technology”.

In the session on the “Environment”, six reports were presented including, Tatsuya YAMAMOTO (Osaka Prefectural Government), “A Case Study of Cost Effectiveness of Environmental Information”, Hisa MORISUGI (Gifu University), “Disparities in the Estimate of Noise Damage Cost Due to Differences in Their Definitions”, Yoo-Hyuk KIM (Dankook University), “The Relocation of a National Capital and the Ensuing Vicissitude of the National Power”, Yasoi YASUDA (University of Tsukuba) “Cost-Benefit Analysis of an Empty Can Deposit System”, Katsuya FUKUOKA (Rissho University), “Cost Sharing System of Forest Conservation”, and Isao ORISHIMO and J.B. MORISON (Toyohashi University of Technology), “An Approach to the Evaluation of the Environmental Quality in the Residential Area”.

Under the heading of “The Development of Local Area,” four reports were given: Masaaki IWASA (Iwate University) “Regional Development and the Utilization of Soft Energy,” Ken’ichi NAKAGAMI (Osaka College of Industry) “Regional Development and Residents’ Consciousness,” Seiichi KAGAYA (Hokkaido University) “Techniques for Regional Development: Promotion of a New Water Reservoir Area”, and Takeo IHARA (Kagawa University) “How to Define Regions and Summarize the Related Policy Issues”.

Finally, four reports were read for the theme “Location Analysis”: Yuichi HONJO (Kobe Municipal Government), “Simulation Model of Location in Kobe Metropolitan Area”, Mitsuko AKAIKE (Ministry of Construction), “On the Location of Small Factories”, in a Mixed Land Use Urban Area. Hiromasa CHIBA and Hideo IGARASHI (Hokkaido University), “An Analysis of Land Evaluation by Means of Orthogonal Multiattribute Evaluation Model”, and Kazuaki MIYAMOTO, Hideo NAKAMURA and Shigeki YAGI (Tokyo University), “Industrial Location Based on Disaggregate Behavioral Models”.

The 23rd annual domestic conference will be held at Chuo University in Tokyo from October 18 to 19, 1986. The main theme for the conference will be “Functional Reorganization of Metropolitan Area and Change in Spatial Structure.”

II. International Conference

The Japan-Australia Regional Studies Workshop was organized by the Japan Section of RSA and held at Honolulu, Hawaii, U.S.A., on August 11, 1985, prior to the 9th Pacific Regional Science Conference. The discussion was constructive and enlightening.

The 9th Pacific Regional Science Conference was organized by the Western Regional Science Association and held at Molokai, Hawaii, U.S.A., from August 12 to 15. More than forty members of the Japan Section presented papers and played a discussant and/or session chair. The 10th Pacific Regional Science Conference will be held at Pusan, Korea in August, 1987.

III. Publication

“*Studies in Regional Science — the Papers and Proceedings of the Japan Session of RSA —*” (Chiikigaku Kenkyu), Vol. 15 was issued.

Contents of Vol. 15 are as follows:

- 1) “On the Evaluation of the Hierarchical Supply System of Local Public Services”, Michihiro KAIYAMA (Saitama University),
- 2) “Land Use In Built-up Areas,” Ichiro SAKAMOTO (The University of Air),
- 3) “Industrial Location Related to Integrated Urban Function”, Kimio MIWA (Japan Industrial Location Center),
- 4) “Significance of the Castle in the Process of Regional Community Formation”, Yoo-Hyuk KIM (Dankook University),
- 5) “A Study of the Reclamation Project on Development”, Yuzuru MIYATA (Mitsubishi Research Institute),
- 6) “The Development of the Suburban Residential Area under Environmental Constraints”, Ken’ichi NAKAGAMI (Osaka Industrial University) and Kazuo NISHIDA (Institute of Regional-Environment Systems),
- 7) “The Role of Forests in the Metropolitan Areas”, Katsuya FUKUOKA (Rissho University),
- 8) “Regional Cycle Theory and Income Disparity”, (Hiroyuki YAMADA (Kyoto University) and Shin’ichiro WATANUKI (University of Osaka Prefecture),
- 9) “Land Use Model for a Linear Area along a Route”, Jun IZUMI (Urban Economic Institute),
- 10) “A Method of Evaluating Changes in the Transportation System by a Household Production Function Approach: Revision”, Komei SASAKI (Tohoku University),
- 11) “A Study on the Optimum Modal Split in the Multi-Modal Transportation Network”, Shogo KAWAKAMI (Nagoya University) and Koichi NOGUCHI (Ministry of Construction),
- 12) “An Economic Study of the Depopulation Problem”, Kiyoko HAGIHARA (Rissho University),
- 13) “Prototype Model Analysis of Multiregional Economy”, Takao FUKUCHI (University of Tsukuba),
- 14) “Advanced Information-Oriented Society and Regional Development”, Yasuhiko NOHARA (Highway Industry Development Institute),
- 15) “Advanced Information-Oriented Society and Regional Development”, Hirotada KOHNO (University of Tsukuba),
- 16) “Advanced Information-Oriented Society and Regional Development”, Yoshinobu TAKAHASHI (Kagoshima College of Economics).

(Hitoshi MITOMO)

THE SOCIETY FOR THE ECONOMIC STUDIES OF SECURITIES

The Society for Economic Studies of Securities held its 23rd national conference at Aoyama Gakuin University, Tokyo, on June 21-22, 1985, and then its 24th national conference on November 9-10 at Seinan Gakuin University in Fukuoka. In addition three study meetings were held in the Kanto region; three in the Kansai region; and one in the Kyushu region.

The common theme for the 23rd national conference was "Problems of Financial Futures", and the following reports were presented.

"Various Types of Financial Activities, Related to Interest Rate Futures" by Masuzo KIMURA (Aoyama Gakuin University); "Proliferation of Financial Futures in the United States" by Hiromu TAKAHASHI (Osaka Syokken Daio Co., Ltd.); "Economic Functions of Financial Futures" by Masahiko SUGIE (Doshisha University); and "An Analysis Speculators' Role in Stabilizing the Financial Futures Market" by Hiroshi INAGAKI (Tokyo Metropolitan University).

KIMURA discussed the activities related to interest rate futures, by classifying them under purposes. TAKAHASHI explained the history of futures market in the United States, by first referring to the Cotton Futures Act, 1914, and discussed the active futures situation since the establishment of the Commodity Futures Trading Commission (CFTC). SUGIE explained the correlation between the participation of speculators and hedgers into the market and the market balance. INAGAKI introduced some researches in the United States (in 1979 and 1984), and commented on the influence of speculators toward the market dynamism.

The common theme for the 24th national conference was "Ownership and Decision-taking in Giant Corporations". The following reports were presented, "Separation of Ownership and Control in Large West German Corporation" by Michihiro IKOMA (Wakayama University); "Ownership and Control of the Corporate Capitalism" by Hiroshi OKUMURA (Ryukoku University); and "Analysis of Corporation Itself — Ownership and Control of Large Corporations" by Isamu KITAHARA (Keio University).

IKOMA introduced, and pointed out problems of, a debate between Professor H. Steinman and Professor Picot of West Germany; and a debate between Professor Giichi MIYAZAKI and Professor Isamu KITAHARA of Japan. OKUMURA remarked on the relation between stock holding and corporation control, and referred to the financial world as the place for mutual control and mutual confidence. KITAHARA took up the actual situation of giant corporations in present day of America, and discussed the fulfillment of control, based on ownership and the trend for independence of 'the corporation itself'.

At national conferences and regional meetings, many other reports were presented, and they are included in the Annuals of the Society for the Economic Studies of Securities.

The titles and researchers are as follows: "The Buying and Selling of Government Bonds by Bank of Japan and Government Fund" by Hirofumi YAMADA (Japan Securities Research Institute)

"Ownership and Control in the Large Corporation" by Shigeru SADAMATSU (Tokushima Bunri University)

"The Relationship between Forecast Errors, Unsystematic Returns and Earnings" by Kengo SHIROSHITA (Kobe University)

"A Contribution to the Stock Over-the-Counter Market in Japan" by Ryozo KAMIKI (Osaka College of Commerce)

"On the Consideration of Financial Information for Investors" by Yoshio HOSAKA (Tohoku Gakuin University)

"Estimation of Beta Based on Bank Statistics" by Ryozo MIURA (Osaka City College)

"Liberalization in the Bond Flotation Market" by Katsuji HIGUCHI (Osaka University of Economics)

"Bond Rating in the Japanese Capital Market" by Yoshitaka KUROSAWA (Japan Credit Rating Agency)

"Agency Problems and Corporate Finance" by Akihiro KOYAMA (Gakushuin University)

"On the Behavior of Government Bond Holdings in Japan" by Toshinori Tsuchida (Tokushima Bunri University)

"Financial Reorganization in the City" by Nobuhiro INATOMI (Horishima Shudo University)

"Bond Dealers' Financing Behavior in the Gensaki Market: A Model" by Takeshi YAMADA (Hosei University)

"The Financial Capital and the Fictitious Capital Securities Market" by Shigeo OHYA (Seinan Gakuin University)

"Interlocking Directorates in Japan" by Yoshiaki UEDA (Japan Securities Research Institute)

"The Problems of Bank Equity Capital in West Germany" by Hironori YAMAGUCHI (Hokusei Gakuen University)

"Economies of Scale and Scope in Japanese Banking" by Megumi SUTO (Japan Securities Research Institute)

"Price Earnings Ratio & Growth Rates" by Hideyuki KAMIRYO (Hiroshima Shudo University)

"Corporate Group and Trade Relations among the Members" by Katsumi SHIMADA (Sumitomo Corporation)

The 25th national conference was held on May 16-18, at the Tokyo Shoken Kaikan Hall in commemoration of the Society's 20th anniversary. The common theme was "Conversion into Securities of Current Financing".

The 26th national conference is scheduled to be held on Nov. 15-16, 1986, at Osaka City University, and the common theme will be "Changing Trend of Financial Capital Market — Securities Market under Internationalization and Liberalization".

(Yoshinori SUZUKI)

ASSOCIATION FOR THE STUDY IN SOCIALIST ECONOMICS

The Association for the Study in Socialist Economics held its 26th annual convention on June 6-7, 1986 at Matsuyama Commercial University in Ehime Prefecture. For the common theme, "Growth and Balance in Socialist Planned Economies — Present Status and Task", five researchers presented their reports as follows,

1. Kiichi MOCHIZUKI (Hokkaido University)
 - "Economic Growth Policy and Imbalance in USSR"
2. Akira FUJIMOTO (Kobe University)
 - "China: Reform of Economic System and Economic Growth"
3. Shoichiro TAKENAMI (St. Andrew's University)
 - "Growth and Imbalance in the Polish Economy"
4. Kinya INUKAI (Niigata University)
 - "A Formation of Growth-Order under Socialist Centralism — Growth and Balance in the GDR-Economy"
5. Tsuneo MORITA (Hosei University)
 - "Examination of Hungarian Economic Reform"

MOCHIZUKI discussed two matters — how the growth rate should be measured?, and how the imbalance in the growth process could be grasped? About the former, he referred to the difficulties which surface when the GNP index is used for the international comparison, and particularly mentioned the influence, brought by the distortion of the price system. About the imbalance in the growth process, he said it is possible to grasp the situation from various indexes which concern (1) difference between the planning and results; (2) approach to the imbalance in industrial structure from the points of output and employment structure; (3) imbalance between production and consumption; (4) imbalance between labour force/facilities, and raw materials/ fuels; and (5) imbalance in investment structure. He also presented interesting study results of various statistical data in the Soviet Union.

FUJIMOTO focussed his attention on the relation between the 'economic overheating' in China since the fourth quarter of 1984 and the introduction of economic reforms. Saying that the expansion of investments and consumption caused this, he specifically explained its relation with the progress of economic reforms. FUJIMOTO suggested the necessity to introduce a strict budget constraint for the restoration of economic balance as well as for the realization of efficient growth, and took up some particular problems China might face in doing so. He pointed out that, for the formation of a market, it would be necessary to sever the current trinary linkage of employment, fringe benefit and social insurance, and stressed the importance of developing cooperative relation among enterprises. His report was well-balanced, but had an optimistic tone concerning the prospect of success in the reform.

TAKENAMI is a pioneer in the study of the Polish economy in Japan. He first referred to the failure of the economic measures in the 1970s, and then, as examples of

imbalance which are difficult to overcome at present, he cited inflation and cumulative external liabilities. He reported that the inflation-inspiring factors exist in economic development strategies and in the project control system. He maintained that the current inflation had been caused by various correlating factors, such as the trade surplus for the repayment of cumulative debts, financial deficit, wage hike which exceeds labour productivity, inadequacy of price system, and low savings rate. He said it would not be easy to solve the problems. He pointed out that the improvement of efficiency, through the enforcement of economic reforms, was not advancing as expected, and one should not take too optimistic a view of the future.

INUKAI clarified in detail that the reform in the GDR (East Germany) in the 1980s was different from the economic reforms in other nations which pursued the decentralization. Although it was reformed it still stressed centralization, which strongly oriented for 'directness' and 'actualness'. In his judgement the reformation in the GDR was successful if a judgement is made of the results in the first half of the 1980s. INUKAI remarked that the strategies for the economic development in the 1980s were intended to prepare for the formation of new-type industrial complex and for microelectronics revolution. Then he discussed two organizational changes which would accompany the realization of a two-tier control system with the formation of the new-type industrial complex. Changes will take the form that the industrial complex will be freed from much interference by the state authority. He said we should take note that the reformation in the GDR, particularly in recent years, was promoting the direct control system in a qualitative sense. Japanese researchers take various views, concerning values of the economic reform in the GDR, so that INUKAI's report aroused much interest.

MORITA is known as an energetic researcher into Hungarian economic reform and also of the theories of J. Kornai. First, he pointed out the necessity to clarify various concepts, as in the case of sorting out economic mechanism, economic management, or economic system, and also to clarify methods of evaluating the reforms. For that purpose, he introduced some of his tentative views. Then he characterized the traditional socialist system under the conditions of both macro and micro economic functions. In view of these factors, he evaluated the achievement of the Hungarian economic reform. He stated that one of the new and notable tendencies in the Hungarian reform was the move toward credit economy. The matters concerning the trend of credit economy which occurred in Hungary and China, invited animated discussions among the researchers in the floor.

In addition to these five reports, the following two reports were delivered during the convention.

Katsuo UENO (Tohoku University — postgraduate) gave his report, "Self-Management and Public Finance — on the Fiscal System in Yugoslavia". He specifically introduced the activities of the SIZ (independent benefit organization) on medical care in the city of Zagreb, and discussed the relating problems. UENO stated that the SIZ method in Yugoslavia which establishes the 'direct relationship' between the organization of associated labour and the medical organization connotes a negative meaning since it deals with the medical service from individual standpoints, while it should

rather be regarded as a common consumption measure.

Akira UEGAKI (Seinan Gakuin University) presented his report, "The Romanian Approach to the Western Economic Circle and Its Consequence". He gave a detailed explanation of the process in which the policy of accepting the credit of the Western side on a large scale in the 1970s resulted in a failure and created cumulative debts amounting to US. 9.8 billion (at the end of 1981). UEGAKI commented that the cumulative debts in the 1980s and the development of vigorous measures were inevitable consequences, since the policy of approaching the Western Circle still retained the centralized economic control structure.

In recent years, the researchers of socialist economics in Japan have come to pay more attention to the conversion, in socialist nations, toward the economic development strategies that aim at achieving efficiency, and also to the rising trend of reforms in economic management system, and many high-level research papers and books have been published in succession. The 27th annual convention is scheduled to be held on June 5-6, 1987 at Chiba Commercial College, and matters relating to the above issues are expected to be discussed.

The Research conference for Quantitative Analyses on Socialist Economies held its 4th meeting, the day before the annual convention, as usual, and this year, 60 researchers attended and had a lively discussion.

Four reports were presented as follows.

1. Yuzo TANAKA (Ryukoku University)
 - "A Note on the Economic Growth Rate of the USSR"
2. Yuichi HASEBE (Yokohama National University)
 - "Optimal Growth Policy in Socialist Planned Economy"
3. Kinya INUKAI (Niigata University)
 - "On the Formation of Plan Informations in GDR-Economy"
4. Riichi TABATA (Osaka City University)
 - "Investment Cycle in Planned Economies"

(Keiji IDE)

THE SOCIETY FOR THE STUDY OF SOCIAL POLICY

The Society for the Study of Social Policy aims to promote interdisciplinary studies relating to labour issues, social policy, and social welfare. Most members are economists and others are sociologists, labour jurists and historians.

The 70th National Convention of the Society was held at Tohoku University in Sendai on May 18 and 19, 1985. The main theme was 'High Technology and Labour Issues'. In Japan in recent years, new machines have altered productivity expectations to a startling degree. The new technology is not only valuable during a period of low economic growth, but it incorporates new devices such as micro-electronics (ME). What effect then do these technological innovations have on labour? Six presentations were made on this theme.

Kazutoshi KOSHIRO (Yokohama National University) analyzed the impact of the diffusion of ME on employment volume and industrial relations. As related to its impact on employment volume, he stressed that it is necessary not only to view the impact from a micro-economic standpoint, that is, on the level of private enterprise, but also to consider the impact from the standpoint of macro-economics. Takahumi UZUHASHI (Labour Research Institute) based his presentation on the findings of a variety of studies in this field, including the findings of studies he himself took part in, and, then, clarified change in skills brought about by the diffusion of ME, and the new skills called for by the same, and also on the cultivation of technical skills to enable workers to cope with the diffusion.

Jun KAINUMA (Nagoya University) took up the topic of "office automation" (OA) in the clerical sector of local autonomous bodies. He considered the same as part and parcel of the overall administrative information system, and described changes in the nature of local public administration. Naoyuki KAMEYAMA (The National Institute of Employment and Vocational Research) set forth his presentation on the findings of a study of the actual conditions of the diffusion of ME and changing labour issues, in which he himself participated, and demonstrated the actual conditions of the diffusion and impact of ME among small-and-medium sized firms. According to Mr. KAMEYAMA, changes in employment volume in the case of small-and-medium sized companies are largely determined by the speed of growth of such firms, and are not directly determined by the diffusion of ME.

Kazuo MATSUBAYASHI (Gunma University) discussed legislative and administrative regulations in relation to the diffusion of ME. Despite the Law Regulating Manpower Services of June 1985 and the revision of the Labour Standard Law of May 1985, MATSUBAYASHI criticized the inadequacy of these legislations to cope with the diffusion of ME. Shin-ichiro KIMOTO (Meiji University) examined the diffusion of ME in relation to the Japanese industrial relations. According to him, it is true that the Japanese industrial relations support the diffusion of ME. However, it is also true that the diffusion of ME is shaking the foundation of the Japanese industrial relations.

In the subsequent discussions the main speakers were Takuro SEIYAMA (Oita University), Kenjiro MICHIMATA (Hokkaido University), and Hiroki SATO (Hosei University). Contributions fell into one of two groups, speakers taking either an optimistic or a pessimistic view.

Four of the presentations come out in the 30th issue of the *Annals of the Society for the Study of Social Policy* under the title, "Labour Problems under Current Technological Innovations". The issue was published in May 1986.

The 71st National Convention of the Society was held at Saga University in Saga on October 26 and 27, 1985. The over-all theme was 'Crisis in Social Policy and Life of the Nations', and eight papers were presented.

Takuro SEIYAMA (Oita University) pointed out a variety of characteristic features of the economic crises in advanced capitalist countries in the eighties, and neatly classified a variety of factors responsible. Further, he took up administrative reform as of some measures in coping with economic crises in Japan and he critically examined the reform regarding it as signifying a regression of social policy. His presentation can be considered as a prelude to the over-all theme.

Following this, six Society members made their presentations on the present status of social policy and social welfare in six advanced countries in the eighties: Takeshi TAKAYAMA (Hokkaido University) reported on the United Kingdom, Tsuneo MORI (Konan University) on the United States, Yasuko ICHIBANGASE (Japan Women's University) on Sweden, Tsuneo KUDO (Chuo University) on France, Makoto SATO (Kumamoto University) on West Germany, and Kazuhiko YOKOYAMA (Japan College of Social Work) on Japan, respectively.

Masami KIMURA (Ryukoku University) looked back to the origin of the ideal of the welfare state, and examined theories advanced by such pioneers as Bentham, the Webbs and Beveridge. He felt that the current period might be characterized as 'the decade of the crisis of welfare states'.

The main discussants on the eight presentations were Yoichi AIZAWA (Fukushima University), Yoshio INOUE (Kumamoto University of Commerce), both of whom served as moderators, as well as Masahiko UEMURA (Nagoya Municipal University), Atsumi NINOMIYA (Osaka University of Foreign Studies), and Mari OSAWA (Tokyo Metropolitan University).

Reports and Comments were collected into the book titled "Crisis in Social Policy and Life of the Nations", published by Keibun-sha in October 1986.

(Koshi ENDO)

THE SOCIO-ECONOMIC HISTORY SOCIETY

The 54th annual meeting of the Socio-Economic History Society was held at Hokkaido University, Sapporo, on September 29 and 30, 1985.

On the first day, twenty papers were read at the four different sections, on a wide variety of topics. Particular attention was made to the history of the Japanese coal mining industry, important in Hokkaido as well as in Kyushu, concerning which five papers were read at one of these sections.

On the second day, six papers were read, and discussion followed, concerning the common subject "Japanese Capitalism and the Colonies".

Kanji ISHII (Tokyo University), explained that the purpose of this subject was to investigate the history of Japanese colonies during the 1910s and 1920s in connection with the development of Japanese capitalism. He stressed that the basic colonial policy of the Japanese government was "the policy of assimilation" which caused the animosity of the subjected peoples against the Japanese, and on the other hand led the Japanese people to become insensitive to the idiosyncrasy of the other peoples.

Fumio KANEKO (Yokohama Municipal University) presented a paper entitled "Japanese Colonial Investments in the Post-WWI Era: An Analysis of the Business Undertaking of Medium and Small Capitalists". Comparing the investments made by Japanese medium- and small-sized enterprises in Taiwan, Korea, and Manchuria with one another, KANEKO concluded that medium- and small-sized enterprises made their investments most actively and speculatively in Manchuria where they were in strong competition with indigenous Chinese enterprises, so that during the business depression in the 1920s those Japanese enterprises in Manchuria suffered most seriously.

Shin'ichi TANAKA (Hokkaido University) reported on "The Tenancy Custom and Colonial Rice in Korea 1900-1930". TANAKA doubted the validity of the claims that the tenancy custom in Korea had operated continuously since the Li Dynasty, believing that the so-called Do-ji custom, by which landowners collected one third of the produce as rent, disappeared after 1910, and was replaced by new arrangement called Jib-jo, by which, TANAKA emphasized, landowners collected more than half of the produce. He also asserted that, although the planting of the improved variety of rice increased in Korea since 1910, irrigation facilities then felt necessary were so limited that the Governor-General of Korea had to carry out the Rice Production Increase Plan from 1920 onward.

Yasutaka TAKAHASHI (Kanto Gakuen College) read a paper entitled "Sugar Industry in Formosa under the Japanese Government between 1910 and 1930". He emphasized that the Japanese sugar corporations, which ousted Formosan and European entrepreneurs by 1916, diversified themselves and invested abroad in China, Korea, and Java. If a comparison is made with the Java sugar companies controlled by Dutch capitalists, it can be seen that the Formosa sugar companies established by Japanese capitalists employed fewer indigenous natives as managers and workmen.

Hiroyoshi KANO (Tokyo University) presented a supplementary report on “The Javanese Sugar Industry under the Dutch Colonial Rule”. He pointed out that the distinctive feature of the sugar production in Java in the 1920s was the direct management by sugar mills owners of peasant cane production in the field. Such interference and direct management brought about much higher productivity of land than in other areas such as Taiwan and the Philippines.

Jun NISHIKAWA (Waseda University) presented another supplementary report entitled “The Colonial Policy of France under the Third Republic: Leroy-Beaulieu and Jules Ferry”.

Examining major works of the colonial promoters in the early period of the Third Republic in France, Paul Leroy-Beaulieu and Jules Ferry, NISHIKAWA demonstrated the close links between the possession of colonies, together with the free-trade ideology, and the development of imperialism.

These six papers were published in *Socio Economic History* Vol. 51, No. 6, and Vol. 52, No. 2, 1986.

(Kanji ISHII)

JAPAN STATISTICAL SOCIETY

The activities of the Japan Statistical Society are concerned with both theory and the application of statistics. These include government statistics and computational methods, the educations and training of statisticians and lead the Society into the clearing house of information of many disciplines such as economics, demography, natural sciences and technology, medical sciences and the environmental problems.

The fifty-third Annual Convention held on July 23-25, 1985 at University of Okayama covered various topics as usual in eighteen sessions. Abstracts of all the papers submitted beforehand were printed in *The Nihon Tokei Gakkai Kaen-hokoku-shu (Proceedings of the Fifty-third Convention of the Japan Statistical Society.)* This publication included one hundred fifty one abstracts and filled some 344 pages. Summary versions were also published in the Journal of the Japan Statistical Society, 15-2, 1985.

This year Professor Chikio Hayashi, new president of the Society, made an inaugural lecture on the Sample Survey of Natural Animals. Other shared contributor sessions on economic statistics and related topics were as follows:

1) Issues on the Statistical Survey Systems after the World War II and their Future contained four subsessions such as i) Environment of the Statistical Surveys chaired by Professor Takafusa NAKAMURA of University of Tokyo, ii) National Wealth Survey chaired by Professor Sadanori NAGAYAMA of Waseda University, iii) Standard Classification Tables and GNP Statistics chaired by Professor Toshiyuki MIZOGUCHI of Hitotsubashi University, iv) Service Industry. Totally eighteen papers by nineteen speakers focussed on the various topics related with these four main topics.

2) Econometric Analysis of Information and Information Industry. Chairperson was Professor Kei TAKEUCHI of University of Tokyo.

Five papers were read by seven persons.

3) Business Cycle Analysis and the Statistical Methods used. Chairperson was Professor Masao BABA of University of Kyoto.

Eight papers were read by eight persons.

Among these thirty five speakers seven were from governments, three from private business companies and the rest from universities. Many people from the non-academic circles are expected to give papers in the future meetings.

Unfortunately these reports are not yet fully published in our journal or in other journals in English or in other languages for wider circulation in the world. But summaries in Japanese in the proceedings will give the sufficient information for the further information about the full text such as the names and affiliations of the speakers. *The Proceedings* may be obtainable from the bureau of the Society.

(Yoshiro MATSUDA)

JAPAN SOCIETY OF TRANSPORTATION ECONOMICS

Japan Society of Transportation Economics held its 44th annual convention on November 6 and 7, 1985, at Kyoto University. The special theme was, "Regional Transportation", and reports were presented as follows,

I. Metropolitan Area

Mitsuharu ITO (Kyoto University) introduced his report, "Transportation Problems and Policy in Metropolitan Areas". He noted that railway services are in need of improvements. In order to pursue construction programs of new lines with due consideration to economical efficiency, one possible measure would be to adopt an advanced form of conventional general prime cost method, in a transformed-style, at the time of deciding fares. And by appropriating, and dividing, a certain construction cost in advanced form into the profit, railway construction can be planned with the funds, free of interest.

Hiroyuki YAMADA (Kyoto University) presented his report, "Urbanization and Transport Problem in Osaka Prefecture". He mainly discussed the commuter transport and urban railway services. Kyoto, Osaka, and Kobe areas are geographically separated, but each area independently forms an employment zone. As each is already a mature urban area, the expansion of population is unlikely to continue. Indeed, in Osaka, the rate of population increase is slackening. Since 1970, this phenomenon of static or declining populations in large urban centres has become common in Europe.

Lastly, Haruya HIROOKA (Hosei University) presented his report, "Transport Strategy and Public Transport in Asian Metropolitan Cities". HIROOKA noted that nowadays the creation of new large cities is a feature of developing nations, where the priorities are to provide employment and housing and transport for the low-income population. He pointed out that the urban traffic programs, which depended on road construction, were not appropriate in the developing nations.

II. Regional Area

Misao SUGAWARA (Tokyo University of Science) gave his report, "Study on Activation of Japanese National Railway Lines". The analysis shows that some of the line divisions in the first and second designated local lines of National Railways (for abolition could be maintained by conducting similar efforts as in local private railways. With the overlapping regressive analysis of local characters and transport density, he calculated the prospect of transport density in case the management conditions of the National Railways' local divisions reached a satisfactory level similarly as in local private railway lines.

Yoshio HORI (Central Consultants Company) discussing "Regional Planning and Transport Planning". HORI remarked that, when a plan of transport facilities is prepared, it would certainly conflict with a land utilization plan which is schemed in the surrounding area, and various problems would surface, pertaining to (1) environmental

factors such as noise, vibration, exhaust gas, protection of plants and green zone, and the discharge of waste water; (2) the analysis of regional situation; and (3) influence on local industries and residents. Particularly, problems will occur in and around airports, highways, and Shinkansen lines.

Lastly, Jinsuke ORITA (Akita University) introduced his report, "Traffic Behavior of Residents in Depopulated Area". ORITA stated that it would be fundamental for the solution of depopulation problems to understand traffic characteristics, including the selection of transport measures. Through the analysis, it was obvious that the possession of cars is necessary to carry out the ordinary tasks of daily living, especially so in depopulated areas.

III. Regional Aviation

Yasuo SAKAKIBARA (Doshisha University) presented his report, "Regional Aviation and Regional Development". SAKAKIBARA said that the documents of regional aviation comprise about the same volume of positive theories and passive (or negative) theories. Positive theories maintain that, when the social convenience is bigger than social expense, the ability to pay should be disregarded, and by raising the fares of other profitable lines, commuter lines should be maintained. As the national minimum, equal and fair services should be provided.

Shuhei KONNO (Fukui Medical College) presented his report, "Problems and Conditions in the Formation of Commuter Air Service in Japan". KONNO said that the fundamental direction of air administration head toward the easing of restrictions. When the three large projects of Haneda, Narita, and Shin-Kansai airports were completed, the administrative door will open more for commuter air services.

Lastly, Keiichi SATO (Hokkaido University) offered, "A Feasibility Study on Commuter Air Passenger Systems in Hokkaido". He observed that, in order to stabilize commuter air systems as a part of high speed transport system, local people and local government must be active. The problems of introducing commuter air routes in Hokkaido relate to the small demand, how to secure stable operation; and how to revise the existing systems and regulations.

In addition to these reports for the special theme, the following four reports were presented for the general theme:

"An Economic Model of the Chinese Transport System" by Zhan Fengbo (Kyoto University)

"An Analysis of Traffic Assignment on the Network Equilibrium Model" by Yuji MATSUMURA (University of Tsukuba)

"An Application of Theory of Clubs to Transportation Congestion" by Kenzo TAKEUCHI (Hitotsubashi University)

"On Service Competition in the Transport Sector" by Kazushige TERADA (Keio University)

The special theme for the 1986 annual convention will be "Reorganization of Railways and Transportation Policy".

(Jun'ichi SUZUKI)

List of Member Associations

1986

THE JAPAN ACCOUNTING ASSOCIATION

日本会計研究学会

- Established: 1937
- Number of members: 1,540
- President: Kyojiro SOMEYA (Waseda University)
- Publication: Monthly bulletin, "Kaikai" (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 AGRARIAN HISTORY SOCIETY

土地制度史学会

- Established: 1948
- Number of members: 1005
- Representative Director: Kaichiro OISHI (University of Tokyo)
- Publication: "TOCHI SEIDO SHIGAKU (The Journal of Agrarian History)" - quarterly
- Agrarian History Society
c/o Institute of Social Science, University of Tokyo,
7-3-1, Hongo, Bunkyo-ku, Tokyo 113, Japan

THE AGRICULTURAL ECONOMIC SOCIETY OF JAPAN

日本農業経済学会

- Established: 1924
- Honorary members 20, regular members 1,107, associate members (students) 79, cooperative members 25
- Chairman: Keizo TSUCHIYA (Kyushu University)
- Publication: Bulletin of the Society, "Nogyokeizai Kenkyu" (Journal of Rural Economics) - quarterly
- The Agricultural Economic Society of Japan
c/o Business Center for Academic Societies,
2-4-16, Yayoi, Bunkyo-ku, Tokyo 113, Japan

THE JAPAN ASSOCIATION FOR ASIAN POLITICAL AND ECONOMIC STUDIES

アジア政経学会

- Established: 1953
- Number of members: 600
- President: Saburoh MATSUMOTO (Keio University)
- Publication: "Asian Studies" - quarterly
- Japan Association for Asian Political and Economic Studies
c/o Professor Tatsuo YAMADA,
Department of Political Science, Keio University,
2-15-45, Mita, Minato-ku, Tokyo 108, Japan

JAPAN SOCIETY FOR THE STUDY OF BUSINESS ADMINISTRATION

日本経営学会

- Established: 1926
- Number of members: 1,840
- President: Susumu KAIDO (Nara Sangyo University)
- Publication: "Keieigaku Ronshu" - once a year
- Japan Society for the Study of Business Administration
c/o The Institute of Business Research, Hitotsubashi University, Naka
2-1, Kunitachi, Tokyo 186, Japan

JAPAN BUSINESS ENGLISH ASSOCIATION (JBEA)

日本商業英語学会

- Established: 1934
- Honorary members 3, regular members 185, supporting members 5, totalling 193
- President: Hiromu NAKAMURA (Doshisha University)
- Publication: "Nihon Shogyo Eigo Gakkai Kenkyu Nempo (The JBEA Annual Studies)" - once a year
- Japan Business English Association
c/o Professor Hiromu NAKAMURA,
Department of Commerce, Doshisha University,
Imadegawadori-Karasuma, Kamigyoku, Kyoto City, Japan

BUSINESS HISTORY SOCIETY OF JAPAN

経営史学会

- Established: 1964
- Number of members; personal 672, institution 42
- President: Shigeaki YASUOKA (Doshisha 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, University of Tokyo,
7-3-1, Hongo, Bunkyo-ku, Tokyo 113, Japan

JAPAN SOCIETY OF BUSINESS MATHEMATICS

日本経営数学会

- Established: 1959
- Number of members: 107
- President: Kesato FUJISAWA (Kanagawa University)
- Publication: "Annual or Semi-Annual Report of Japan Society of Business Mathematics"
- Japan Society of Business Mathematics,
c/o Professor Kesato FUJISAWA, Kanagawa University ,
3-27, Rokkakubashi, Kanagawa-ku, Yokohama 221, Japan

JAPAN SOCIETY OF COMMERCIAL SCIENCES

日本商業学会

- Established: 1951
- Number of members: honorary 6, ordinary 625, supporting companies 9
- President: Yukichi ARAKAWA (Kobe 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

JAPAN SOCIETY FOR COMMODITY SCIENCE

日本商品学会

- Established: 1935
 - Number of members: regular members 297 including 9 foreigners, supporting members 4
 - Chairman: Yoshiro IJIMA
 - Publication: Quarterly bulletin, "Shohin Kenkyu" (Studies on Commodities)
 - Japan Society for Commodity Science
c/o Hitotsubashi University, Naka 2-1,
Kunitachi, Tokyo 186, Japan
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THE SOCIETY OF ECONOMIC SOCIOLOGY

経済社会学会

- Established: 1966
 - Number of members: 325
 - President: Yoichi ITAGAKI (Asia University)
 - Publication: "The Annual of the Society of Economic Sociology"
 - The Society of Economic Sociology
c/o The Faculty of Social Science, Waseda University,
1-6-1, Nishiwaseda, Shinjuku-ku, Tokyo 160, Japan
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THE SOCIETY FOR THE HISTORY OF ECONOMIC THOUGHT

経済学史学会

- Established: 1950
 - Number of members: 792
 - President: Takuya HATORI (Kanto Gakuin University)
 - Publication: "The Annual Bulletin of the Society" - once a year
 - The Society for the History of Economic Thought
c/o Faculty of Economics,
Kanto Gakuin University,
Kanagawa-ku, Yokohama 236, Japan
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THE JAPAN ASSOCIATION OF ECONOMICS AND ECONOMETRICS

理論・計量経済学会

- Established: 1947
- Number of members: 1,815
- President: Shozaburo FUJINO (Hitotsubashi University)
- Publication: “The Economic Studies Quarterly”
- The Japan Association of Economics and Econometrics
c/o Tokei Kenkyukai,
1-18-16, Shinbashi, Minato-ku, Tokyo 105, Japan

THE JAPAN ASSOCIATION OF ECONOMIC GEOGRAPHERS

経済地理学会

- Established: 1954
- Number of members: 650, patronage members: 9
- President: Tetsuro KAWASHIMA (Hannan University)
- Publication: “Keizai-Chiri Gaku Nempo” (Annals of The Japan Association of Economic Geographers) - quarterly
- The Japan Association of Economic Geographers,
c/o Institute of Economic Geography,
Faculty of Economics, Hitotsubashi University,
Naka 2-1, Kunitachi, Tokyo 186, Japan

JAPAN ECONOMIC POLICY ASSOCIATION

日本経済政策学会

- Established: 1940
- Number of members; individuals 1,107, institutional organizations 4
- President: Takashi FUJII (Nagoya University)
- Publication: “Nippon Keizai Seisaku Gakkai Nenpo” (The Annals of the Japan Economic Policy Association) - annual
- Japan Economic Policy Association
c/o Professor Takashi FUJII,
Nagoya University,
Furoh-cho, Chikusa-ku, Nagoya 464, Japan

JAPAN FINANCE ASSOCIATION

日本経営財務研究会

- Established: 1977
- Number of members: 370
- President: Goichi KATAYAMA (Fukuoka University)
- Publication: “The Annual Report of Japan Finance Association” - annually
- Japan Finance Association
The Faculty of Business Administration,
Kobe University,
2-1, Rokkodai-cho, Nada-ku, Kobe 657, Japan

JAPANESE ASSOCIATION OF FISCAL SCIENCE

日本財政学会

- Established: 1940
- Number of members: 599
- Chairman: Hiromitsu ISHI (Hitotsubashi University)
- Publication: “Annual Report of the Japanese Association of Fiscal Science”
- The Japanese Association of Fiscal Science
c/o Hitotsubashi University,
Naka 2-1, Kunitachi-shi, Tokyo 186, Japan

JAPAN ACADEMY FOR FOREIGN TRADE (JAFT)

日本貿易学会

- Established: 1961
- Number of members: 310
- President: Genzo HAMATANI (Nihon University)
- Publication: “The Annual Bulletin of the Japan Academy for Foreign Trade”, (Annual publication)
“JAFT News”, twice yearly
- Japan Academy for Foreign Trade
c/o Professor R. ASAOKA,
School of Commerce, Waseda University,
1-6-1, Nishiwaseda, Shinjuku-ku, Tokyo 160, Japan

THE JAPANESE SOCIETY OF INSURANCE SCIENCE

日本保険学会

- Established: 1940
 - Honorary members 11 including two foreigners, ordinary members 696 including 23 foreigners, supporting members 56 organizations
 - Chairman: Eiichi KIMURA (Hitotsubashi University)
 - Publication: “Journal of Insurance Science” (Hoken-gaku Zasshi) quarterly
 - Japanese Society of Insurance Science
c/o The Life Insurance Association of Japan,
3-4-1, Marunouchi, Chiyoda-ku, Tokyo 100, Japan
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THE JAPAN SOCIETY OF INTERNATIONAL ECONOMICS

国際経済学会

- Established: 1950
 - Number of members: 1,000
 - President: Fukutaro WATANABE (Gakushuin University)
 - Publication: “The International Economy” - annually
 - The Japan Society of International Economics
c/o Professor Ken'ichi ODAWARA,
Faculty of Economics, Jochi (Sophia) University,
7 Kioi-cho, Chiyoda-ku, Tokyo 102, Japan
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THE JAPAN SOCIETY OF MONETARY ECONOMICS

金融学会

- Established: 1943
 - Number of members: 718
 - President: Ryuichiro TACHI (Aoyama Gakuin University)
 - Publication: “Bulletin of the Japan Society of Monetary Economics” - bi-annually
 - Japan Society of Monetary Economics
c/o Tokyo Keizai Shinpo-sha,
1-2-1, Hongoku, Nihonbashi, Chuo-ku, Tokyo 103, Japan
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THE ACADEMIC ASSOCIATION FOR ORGANIZATIONAL SCIENCE

組織学会

- Established: 1959
- Number of members: individual members 1,028, company members 31
- Acting President: Yasuo OKAMOTO, (University of Tokyo)
- Publication: "Organizational Science" - quarterly
- Academic Association for Organizational Science
c/o Room No. 614, Department of Economics, University of Tokyo,
7-3-1, Hongo, Bunkyo-ku, Tokyo 113, Japan

JAPAN SOCIETY FOR PERSONNEL AND LABOR RESEARCH

日本労務学会

- Established: 1970
- Number of members: 521
- Representative director: Yoshiaki SHIMABUKURO (Toyo University)
- Publication: "Series in Personnel and Labor Problems" - annually
- Japan Society for Personnel and Labor Research Activities
c/o Professor Yoshiaki SHIMABUKURO
Department of Business Administration, Toyo University
5-28-20, Hakusan, Bunkyo-ku, Tokyo 112, Japan

JAPAN ASSOCIATION FOR PLANNING ADMINISTRATION

日本計画行政学会

- Established: 1977
- Number of members: 1,418
- President: Sabro OKITA (International University of Japan)
- Publication: "Planning Administration" bi - annually
- Japan Association for Planning Administration
c/o The Institute of Statistical Research
1-8-16, Shimbashi, Minato-ku, Tokyo 105, Japan

JAPAN SOCIETY OF POLITICAL ECONOMY

経済理論学会

- Established: 1959
- Number of members: over 1,000
- Chief Representative: Kiyoko IMURA (Keio University)
- Publication: "The Annual Bulletin of the Society of Political Economy" - annually
- Japan Society of Political Economy
c/o Professor Kiyoko IMURA,
Keio University,
2-15-45, Mita, Minato-ku, Tokyo 108, Japan

THE POPULATION ASSOCIATION OF JAPAN

日本人口学会

- Established: 1948
- Members: 302, honorary members 6, special members 3
- President: Yoshitaka HATAI (Meijigakuin 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 JAPAN SOCIETY OF PUBLIC UTILITY ECONOMICS

公益事業学会

- Established: 1949
- Number of members: regular members 306, corporation members 70
- Chairman: Hisao SEKIJIMA (Seikei University)
- Publication: "Journal of Public Utility Economics"
- Koeki Jigyo Gakkai (The Japan Society of Public Utility Economics)
c/o Nikko Gotanda Bldg,
2-29-5, Nishigotanda, Shinagawa-ku, Tokyo 141, Japan

**THE JAPAN SECTION OF
THE REGIONAL SCIENCE ASSOCIATION**

日本地域学会

- Established: 1962
- Number of members: 574
- President: Hirotada KOHNO (University of Tsukuba)
- Publication: “Studies in Regional Science — the Papers and Proceedings of the Japan Section of R.S.A.—” (“Chiikigaku Kenkyu” in Japanese) — annually
- The Japan Section of the Regional Science Association
c/o Institute of Socio-Economic Planning,
University of Tsukuba,
Sakura, Ibaraki 305, Japan

THE SOCIETY FOR THE ECONOMIC STUDIES OF SECURITIES

証券経済学会

- Established: 1966
- Number of members: 390
- Representative: Masao TAMANOI (Gakushuin University)
- Publication: “Annals of 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

**ASSOCIATION FOR THE STUDY
IN SOCIALIST ECONOMICS**

社会主義経済学会

- Established: 1967
- Number of members: 210
- Chief Representative: Noboru MIYANABE (Hitotsubashi University)
- Publication: “Bulletin of the Association for the Study in Socialist Economics” — annually
- Association for the Study in Socialist Economics
c/o Professor Masaaki KUBONIWA,
Hitotsubashi University,
Naka 2-1, Kunitachi, Tokyo 186, Japan

THE SOCIETY FOR THE STUDY OF SOCIAL POLICY

社会政策学会

- Established: 1950
 - Number of members: 817
 - Representative manager: Toshio KUROKAWA (Keio University)
 - Publication: "Shakai-Seisaku Gakkai Nenpo" (Annals of the Society for the Study of Social Policy)
 - The Society for the Study of Social Policy
c/o Professor Toshio KUROKAWA,
Faculty of Economics, Keio University,
2-15-45, Mita, Minato-ku, Tokyo 108, Japan
-

SOCIO-ECONOMIC HISTORY SOCIETY

社会経済史学会

- Established: 1930
 - Number of members: 1,083
 - Representative Director: Kenichiro SHODA (Waseda University)
 - Publication: "Shakai Keizai Shigaku" (Socio-Economic History) —
bi-monthly
 - Shakai Keizaishi Gakkai (Socio-Economic History Society)
c/o Professor A. HAYAMI,
Keio University,
2-15-45, Mita, Minato-ku, Tokyo 108, Japan
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JAPAN STATISTICAL SOCIETY

日本統計学会

- Established: 1931
 - Number of members: 1,157
 - President: Takafusa NAKAMURA (Ochyanomizu University)
 - Publication: "Journal of the Japan Statistical Society" bi-annually
 - The Japan Statistical Society
c/o The Institute of Statistical Mathematics,
4-6-7, Minami-Azabu, Minato-ku, Tokyo 106, Japan
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JAPAN SOCIETY OF TRANSPORTATION ECONOMICS

日本交通学会

- Established: 1941
 - Number of members: 364 regular members including one honorary member (individual) and 34 special members (corporations)
 - President: Ken'ichi MASUI (Matsuzaka University)
 - Publication: "Kotsugaku Kenkyu" (Annual Report on Transportation Economics)
 - The Japan Society of Transportation Economics (Nihon Kotsu Gakkai)
c/o Unyu-Chosa-Kyoku,
2-5-6, Kokubunji, Tokyo 185, Japan
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New membership 1986

JAPAN AUDITING ASSOCIATION

日本監査研究学会

DATE OF ESTABLISHMENT: 20 May 1978

OBJECTIVE:

The comprehensive and integrative study of various problems in the field of auditing.

NUMBER OF MEMBERS:

345 individuals, and 26 audit corporations

REPRESENTATIVE:

President: Masa'atsu TAKADA (Kobe University)

ANNUAL MEETINGS:

Nation-wide meeting once a year, supplemented by meeting held by two regional branches (East-Japan, West-Japan) once a year respectively

PUBLICATIONS:

"The Annual Report of the Japan Auditing Association", published by the administrative office of the Association. Followings are the main themes.

- No. 1 Toward a New Development of Auditing (December 1979)
- No. 2 Issues of Generally Accepted Auditing Standard New Development of financial Audit in Commercial Code (December 1982)
- No. 3 Nature of Audit Report: Opinion or Information (September 1983)
- No. 4 Auditor's Commitment to the Unaudited Accounting Information (September 1984)
- No. 5 Theoretical Foundation for the Extension of Audit Function (April 1985)
- No. 6 Auditor's Legal Liability for Management Fraud (May 1986)

ADDRESS:

Japan Auditing Association
The Faculty of Business Administration
Kobe University, 2-1, Rokkodai-cho, Nada-ku
Kobe 657, Japan
