Summary

North–South Problem and Globalization

Kiyoshi ABE

The North–South Problem first appeared towards the end of the 1950s in the midst of the Cold War. The UNCTAD was established in 1964 and has been in existence as its forum. The influence of the South reached a peak in the 1970s as symbolized by the 1974 NIEO. The North–South Problem subsided in the world-wide depression of the 1980s, which in turn caused the South–South Problem to appear. The East–West Problem disappeared around 1990. The 1990s see its definition transforming from the one under the Cold War to the one in the age of globalization.

The North–South Problem is now defined as “rich–poor gap on a global scale”, with focus on how to rescue poorest people scattered mainly through the South. It’s not only economic, but also widely social. As the World Bank admits, poverty is a multidimensional phenomenon, not to be solved by economic growth alone.

In the 1990s economists argue anew, “What is development? What’s is its purpose?” Past decades show that underdevelopment hinges largely on backward human resources and lack of education. Poverty can no longer be remedied by macroeconomic high growth alone, however spectacular it may be politically. The concept of HDI (Human Development Index) by the UNDP (United Nations Development Program) is based on such sound criticism of the neoclassical
growth-first attitude.

Globalization, liberalization, and market economy have merits and demerits. The growth based on MNCs (Multi-National Companies) has merits and demerits. Efforts should be made to lessen the demerits and enhance the merits, which can lead to the enhancement of the HDI. The issue of the 21st century will remain to be how to harmonize MNC-led growth with HDI goals, how to maintain sustainable development and, last but not least, how to mitigate poverty on a global scale. Poverty in poorest countries cannot be left indifferent to citizens in the North, a tendency increasing evident in the ever shrinking small earth of globalization. Increasingly important in this connection is the role of small media.
Summary

The Effects of Public Capital Accumulation on Labor Demand

Toshiya HATANO

A Japanese economy seems to walk in the dark tunnel long after the bubble collapse. Many enterprises can’t maintain their employments under such conditions, and the unemployment rate is rising violently. The unemployment rate reaches an ordinary level as the West, and a Japanese employment system faces the crisis. Though some economic fiscal policies were carried out, the effects were very poor, and trust in the economic fiscal policy is declining. Particularly, a public investment policy is criticized.

However, even if the effect of the public investment based on traditional Keynesian approach fell, the part of the stock accumulation of the public capital maintenance should not be denied. In this paper, the influence which public capital exerts on the labor demand is examined on two approaches. One is the VAR, another is the structural model based on the production function. As a result, public investment had fixed effect to the labor demand. There is no proof that the quantitative influence declined recently.
Réssumé

L’entrée de la France dans le système internet et les enjeux de la révolution TIC

Hiroshi HAYAMA

La France, qui a développé depuis le début des années 80 le système de communication Télétel (Minitel), s’est brusquement tournée vers l’internet l’été 97 sous l’initiative énergétique du gouvernement Jospin. Cette entrée dans le système internet, menée avec le slogan "construction de la société solidaire de l’information", a pour but, entre autres, de retrouver la croissance économique et de résoudre le chômage. Le gouvernement s’efforce pour l’instant de soutenir le développement du commerce électronique, tout en accélérant l’établissement de cadres juridiques nouveaux et en soutenant les petites et moyennes entreprises pour introduire l’internet. Il tente en même temps une réforme de l’État qui devrait rendre plus facile l’accès des citoyens aux administrations et renforcer l’efficacité au sein de l’État.

Depuis 97, le nombre d’internautes français et leur taux sur la population ont eu la plus forte croissance parmi les principaux pays européens, ceci bien que les niveaux atteints se placent derrière l’Allemagne et le Royaume-Uni. La France a augmenté le nombre d’internautes deux fois plus vite que la moyenne des pays membres de l’Europe unie. Cette accélération du nombre d’usagers est provoquée, certes, par le coup d’envoi du gouvernement, mais puise aussi dans les
Summary

Sectoral and Regional Innovation Systems (I)

Shigeo Abiko

The recent literature on the geographical dimension of innovative activities has identified two major trends: technologically based and territorially based innovation systems. The former analyzes, on the basis of technology-specific factors, learning and selection processes among firms and the spatial clustering of innovations. The latter investigates, based upon the concept of ‘governance structures’, the geographical organization of innovative activities. This paper aims at exploring the proper balance between technology-based and territory-based explanations of innovation systems.

Part I examines the relationship between ‘technological regime’ (technology-specific factors) and sectoral/spatial innovation systems, which is proposed by F. Malerba and S. Breschi. First, the notion of ‘technological regime’ is discussed. It can be broadly defined by the particular combination of four fundamental factors: innovative opportunities, appropriability conditions, cumulativeness of technological knowledge, and the nature of the relevant knowledge base. Secondly, our attention is devoted to the basic mechanisms by which the specific properties of each ‘technological regime’ can affect the Schumpeterian dynamics of innovators (processes of competition and selection among firms), their geographical distribution, and the ‘spatial boundaries of knowledge’ in firm’s innovative process. Thirdly, five types of sectoral/spatial innovation systems are simply delineated, according to the empirical studies of Malerba and Breschi. Finally, the paper suggests that, while ‘technological regimes’ could affect the processes of learning, competition, and selection among firms, they shouldn’t affect so much geographical patterns of innovation.
Summary

On the Reform of the Japanese National Pension Program

Chuzo Matsuda and Etsuko Maeda

Because of longevity and declining fertility, Japan is the world’s most rapidly aging industrial society. Distrust in the present pay-as-you-go system is growing especially among younger generations. The Japanese system is two-tiered: first tier—National Pension Program (NPS) for all residents; second tier—employee’s pension insurance or other employment-related program (earnings related). We confine our attention to the widely criticized problems of NPS, leaving the other aspects of the Pension systems for the next paper. About one third of the Category 1 insured are not making their contributions (lump sum, not income related). Failure to contribute without the legitimate reasons is illegal but quietly tolerated. The administrative costs of NPS are unusually high. The Category 3 insured (dependent spouses of employees) are qualified for benefits without contributing, in contrast to working housewives (the Category 2 insured), causing such a criticism that the system favors the traditional “mother at home” family with female labor incentives distorted. One third (by 2004, one half) of NPS benefits cost are met through general revenues. It is proposed NPS be financed wholly out of the general treasury, thereby eliminating most of the defects of the current system. Together with the lowering of premiums due to the repeal of NHS contributions, the required tax increases will be made more acceptable if a special earmarked general consumption tax is established.