

Summary

Sustainable Microcredit Operations in Cambodia

Kiyoshi ABE

The success of Grameen Bank in Bangladesh has become widely known. Copycat schemes have popped up in many parts of the world. But its success is not automatic, depending on so many additional factors. Some problems associated with the microcredit operation are. (1) Difficulty of Turning a Profit on the Loan, (2) Required Sustainability (Cost-Effectiveness) and (3) Permanent Dependence on Microcredit (Debt Cycle).

Experiences show that the microcredit alone is not sufficient for poverty alleviation. It is important to draw a distinction between the microcredit and the direct assistance for extremely poor people.

Poverty is a very complex problem which requires persistent comprehensive approach. The microcredit does have a mildly positive net benefit. It has helped some families out of poverty even in Cambodia. It has also given some headache for unfortunate families of Cambodia. A success of microcredit is not always warranted. It certainly is no major factor in poverty alleviation. Complementary actions need to accompany it for poverty reduction in poorest countries. This is a universal truth.

Summary

Regional Finance under Globalization: Microfinance and Bond Markets in East Asia

Masumi KISHI

Reflecting the Asian currency crisis, the East Asian countries, including Japan, the economy of the region is attempting to build the strong fund channel by consolidating bond markets. On the other hand, there exists an agricultural society whose access even to commercial banks is difficult. Nevertheless, as seen in the success of Grameen Banks, and the Asian and Pacific Regional Agricultural Credit Association (APRCA), the fund channel based on market mechanism has been shaped through the intervention of NGOs, self-help financial groups, and public and private financial institutions. It seems possible that the financial system in the region has developed from microfinance into a market-oriented indirect finance system, which includes the trade of government bond, local bond and investment trusts. The purpose of this paper is to consider a new type of fund channel which can adjust to households' needs by citizen's participation.

Summary

The Stakeholder Approach to the Chinese SOEs: A Financing Perspective

Liqin Ren, Koos Krabbendam and Petra de Weerd-Nederhof

The stakeholder composition of Chinese state-owned enterprises (SOEs) has been changing in recent decades. This paper reflects on the dynamic changes that have taken place with the major stakeholders of the Chinese SOEs, and investigates the changes that face the Chinese SOEs in the coming years from a financing perspective. Based on an extensive study of the literature, it analyzes the changes in the given classes of stakeholders and their impact on the effectiveness of the Chinese SOEs. In concluding, the paper proposes that the role of the stock market could enable the Chinese SOEs to improve their market orientation. Finally, the suggestion is made that stakeholders that seem to be less important for the SOEs, such as the customers, the labor market and the suppliers will play important roles in the near future. With China's economy in transition, the SOEs should be prepared for this in order to survive.

Summary

International Educational Cooperation: Chiba University and The University of Alabama

Marilyn B. Emplincourt

In institutions of higher education around the world, international educational cooperation continues to gain prominence as universities seek to increase their influence, reputations, and enrollments. The institutional linkage between Chiba University and The University of Alabama profiled in this article exemplifies the kinds of programs and activities that can benefit both universities through formal agreements. Of special significance is the continuity of the CHIBAMA (Chiba+Bama) relationship over several decades and the role of special individuals, exemplified by Professor Kiyoshi Abe, who are committed to increasing international understanding and friendship through research and teaching as they reach across the Pacific Ocean and beyond.

Summary

Money, Price Level and Output : Evidence from Asian Developing Countries

Muhammad Aslam Chaudhry

Munir A.S Choudhary

Mehak Ejaz

This paper presents empirical evidence on money, price level and output to test the Keynesian, monetary and real business cycle theories using annual data from two Asian developing countries, Pakistan and India, covering period 1953–2004 and 1953–1997 respectively. An error–correction equation to explain inflation is presented that passes the Chow test for parameter stability and fits the data well for both countries. For both countries, variance decomposition and impulse responses from the vector–error correction model support the Keynesian theory which claims that effects of monetary shocks on real output do not die down quickly.

Summary

East Asia's Economic Development Driven by Technological "Divergence"

Hikari ISHIDO

This paper addresses some salient features of how some of "successful" East Asian economies have been faring in terms of enhancing their export competitiveness. That export becomes more divergent in terms of its unit price as more technology-enhancing economic activity is undertaken within an economy, is the primary message that this study conveys. This is indeed what Schumpeter had addressed in conjunction with his "creative destruction" thesis. From this perspective, East Asia's export-led industrialization has been attained through a particular policy focus upon high "trade divergence" sectors underpinned by a generally high level of manufacturing flexibility with varying degrees depending on industrial characteristics. The experience of Malaysia's development serves as the strong case of export-led economic development through nurturing the high-rent electronics industry. As an East Asia-wide FTA is expected to facilitate "divergent" export-led industrialization through enhanced knowledge interaction, this dynamic or "divergent" impact that knowledge creation could exert should come to the fore of relevant policy arguments, together with static consideration of trade creation and diversion. A formal statistical test of the "divergence hypothesis" above is called for with a view to building upon this preliminary study.

Summary

Forgotten Families in Japan's Domestic Migration: Population Outflow from Sennan District, Osaka Prefecture, 1893–1907

Masahiro OGIYAMA

In Japan, from the late nineteenth century onward, an increasing number of people migrated in search of jobs due to industrialization. Such migration has been assumed to be affected by the family system. In a family, except for one offspring who became the heir, his or her siblings were required to leave home by marriage. Thus, it has been claimed that migration was associated with unmarried young people who were destined to leave home. This study examines such a conventional view by investigating the population outflow from Nishitto-tori Village, in Sennan District, Osaka Prefecture, between 1893 and 1907.

A majority of the female migrants left the village along with their families. While a greater proportion of their male counterparts migrated alone, the number of male migrants who left the village with their families exceeded the number of those who migrated alone. The reason for this was that a large number of parents and their children migrated together. More than half of all the migrants, irrespective of sex, were below 15 years of age, or 30 years of age and above. Thus, the population outflow from this village was associated with married people and their families rather than unmarried young people.

Summary

Finance and Growth: Causality in the Economic Development of Japan, the U.S.A., and U.K.

Masanori AMANO

This paper examines the causal directions between financial development and economic growth for prewar and postwar Japan, U.S.A., and U.K. The method used here is the one recently developed by S. Hall, M. Pesaran, and R. Wickens et al. and is what can be called a generalized (or extended) Granger causality test. The paper shows that in Japan and the U.K., the Patrick's hypothesis holds, where the hypothesis implies that in the early stage of development, financial factors typically lead and cause real-side development, while in the later stage, the reversal of causal directions occurs. In the U.S., however, the opposite causal patterns (i.e., in the prewar period, the real-side causes the financial-side) are observed. The paper also compares the above results with those derived from traditional Granger causality tests.

Summary

Die Rezession von 1974/75 und die Verstimmung der westdeutschen Wirtschaft

Hiroyuki FURUUCHI

Die vorliegende Arbeit behandelt die Rezession von 1974/75 und analysiert ihre wirtschaftlichen Bedeutungen. Die Ursachen des Rückgangs sind die Angebotsschwierigkeiten durch die Verteuerungen der Arbeitskosten und Energiepreisen. Die Ertragsätze der heimischen Investitionen verschlechterten sich schnell und die wirtschaftliche Stagnation trat mit der beschleunigten Inflation auf. Die Epoche des Wirtschaftswunders war schon vorbei. Ohne Zweifel, war der Grad der Stagflation, international betrachtet, zwar relativ leicht, aber die westdeutsche Wirtschaft geriet in eine Sackgasse, denn veraltet war das industrielle Produktionssystem, das aus dem Bestandteil der Zweiten Industriellen Revolution gegen Ende des 19. Jahrhunderts (wie z.B. die auf der Ausbildung zur qualifizierten Kunstfertigkeiten gegründeten Produktionsformen in der Elektroindustrie und in dem Maschinenbau) und aus der Komponente der amerikanischen standardisierten Massenherstellungen im 20. Jahrhundert bestand. Der Druck auf die Regelung der arbeits- und energieintensiven industriellen Strukturen hat sich mit einem Schlag gestärkt. Dies macht den Beginn der Verstimmung der westdeutschen Wirtschaft aus.