
Part I: 10:20 – 12:30

EU-Japan economies : issues and perspectives

Moderator:

Professor Hiromasa Kubo, Executive Director of Kobe University Brussels European Centre

Presentations: 10:20 - 11:40

10:20 Professor Yoichi Matsubayashi, Kobe University

“External Imbalances in Japan: Past, Present and Future”

10:40 Associate Professor Kazufumi Yugami, Kobe University

*“The transition from school to stable employment:
A comparative perspective”*

11:00 Senior Assistant Professor Miki Kobayashi, Kobe University

“Income Inequality and Poverty in Japan”

11:20 Mr Pierre Jean Coulon, European Economic and Social Committee

“Nuclear Energy and Industry Have to Be Transparent”

Panel discussion: 11:40 - 12:30

Ms Eve Päärendson, European Economic and Social Committee

Professor Taiji Hagiwara, Kobe University

Mr Pater Krzysztof, European Economic and Social Committee

In the morning session there were four presentations which addressed issues concerning the economies in Japan and the EU. There followed a panel discussion in which three speakers reflected on certain points raised in the preceding presentations. Ms Päärendson discussed two issues: the proposed EU-Japan FTA/EPA and youth unemployment in the EU. She insisted that the EPA/FTA would have a positive impact on the EU, due to a possible increase in EU exports to Japan. However, in order to exploit the benefits of the FTA/EPA, the EU should strengthen its competitiveness by promoting R&D activities, especially in their SMEs. Furthermore, the EU should reform their labour market, to reduce the skill mismatches between young people and employers. Prof Hagiwara agreed with the rather pessimistic views of Prof Matsubayashi. He also pointed out that the views of the three Japanese speakers are interrelated. He noted that although Prof Matsubayashi emphasised Japan's growing budgetary deficit, he did not explicitly state that one of the main sources of the deficit comes from social security spending. He thus observed that if the Japanese government tries to reduce spending, this means that it should also cut its spending on social security and education, which would, in turn, aggravate youth unemployment. Prof Hagiwara also agreed with Mr Coulon's view on the transparent nuclear energy policy. Prof Hagiwara insisted that the Japanese government should release more information on its nuclear policy to the public. In addition, he noted that anti-nuclear groups should not overreact with respect to the risks posed by nuclear power. He emphasised the importance of constructive dialogue. Mr Krzysztof argued that judging from recent demographic changes, in order to avoid the negative impact of a possible collapse of the pension system on the European economy, reforms would seem to be necessary. However, as it is a very sensitive issue among people, politicians seem to put off making any concrete decisions. He insisted that the EU should take care of the elderly seriously. There followed a lively discussion between the speakers and the floor.

Yoichi Matsubayashi

Professor
Graduate School of Economics
Kobe University

“External Imbalances in Japan: Past, Present and Future”



Japan’s current accounts have been in surplus for a long time. However, a surplus has been decreasing lately, and such surplus is forecasted to turn to deficit as early as the second half of 2010s.

Current accounts reflect not only transactions in goods and services, but also the status of lending to and borrowing from other nations. In other words, continuous current accounts deficit means that Japan will require greater funding from other countries. With concerns over Japan’s aging society and fewer children, as well as the thwart expansion of public debt, we will examine current accounts trends, and their impact on the Japanese economy, from a long-term perspective.

Kazufumi Yugami

Associate Professor
Graduate School of Economics
Kobe University

“The transition from school to stable employment: A comparative perspective”



The transition from school to work has been an issue with vital interest in Japan during “lost two decades”. I examine the transition situations by educational background and its relation to labour market institutions using survey of

Japan, Germany, France, and the UK. Specifically, I focus on national school-to-work institutions and employment-protection legislation (EPL), both of which affect inflows of youth into and outflows from temporary jobs. As for first job after graduation, country-specific factor indicates that regardless of their educational background, British school-leavers are least likely to be temporary employees. Among the other three countries, with more stringent EPL for permanent jobs, only French non-college youth are more likely to be temporary workers than their Japanese and German counterparts, suggesting that country-specific transition institutions for the less educated group foster direct transition from school to permanent jobs in these countries. Furthermore, from the results for the transition from first temporary jobs, I found that Japanese youth are least likely to move into permanent jobs. Among the other three countries, the outflow to permanent employment is highest in the UK and less for Germany and France, suggesting that temporary jobs serve as a stepping-stone towards permanent jobs in the absence of school-to-work institutions.

Miki Kobayashi

Senior Assistant Professor
Graduate School of Economics
Kobe University

“Income Inequality and Poverty in Japan”



Japan’s income inequality has been moderately increasing in the long term. Income inequality in terms of the Gini coefficient based on initial income is confirmed to have risen moderately from the 1980s until recently.

In addition, Japan’s relative poverty rate has been on an upward trend. Especially, most single parent households with children are found to be in severe poverty situations. The children from poor families tend to have lower educational attainment, to face higher poverty risks. They are more likely to consider themselves to be unhappy and to be poorer health.

In Japan, the never-married proportion increased rapidly from 2.1% for males and 4.3% for females in 1975 to 16% and 7.3% in 2005, respectively. One of the reasons for this high level never-married proportion is the childhood poverty. Especially, the male never-married proportion is significantly high among these less educated and non-regular workers.

And income inequality has substantial influence on people’s health. Individuals who live in the area of high income inequality tend to be unhealthy.

Pierre Jean Coulon

EESC member
former President INGO “Right to Energy SOS Future”
former member of Local Information Commission of three nuclear plants
European Economic and Social Committee

“Nuclear Energy and Industry Have to Be Transparent”



The road to greater nuclear safety goes via greater (total) transparency.

We need international guidelines clear and widely endorsed on the transparency clauses in texts on nuclear waste and safety, notably with regard to

the right of the public to participate in the process. In fact, the issue of public involvement in the inherently complex debate about nuclear energy, need for building up the expertise of citizens, by making information available that is understandable (don’t believe citizens are stupid!) to the public, thus leading increased awareness of the issue: By example creation in all the nuclear countries of Local Information Committee and Commissions as existing in France, with more power and independence, would be necessary.

By other hand, such an organisation as -Aarhus Convention- is a real challenge, its role in improving, governance, and strictly holding authorities to account.

I also believe the need of a progressive way out nuclear energy, with the same transparency, safety rules and involving the public in decision making.