Abstracts

Special Topic I

Institutional Evolution of the Stalinist Economic System in the 1930’s
Masanori Kimura (Matsumoto Dental University)

The Stalinist command economy in the early 1930’s consisted of such elements as vertical-functional hierarchy, forcible integration, employing bureaucracy without resistance, organized mobilization and functional management. This regime had metamorphosed through the ultra industrialization into the even more oppressive regime that was characterized by branch ministries, production line system, the social strata of soviet-standard workers, marginal labor force and technocrat, network of patron - client relationships and deep-rooted informal economy, in the late 1930's.

Maoist System: The Bases of Its Existence and Communal Clash Risks
Tsuneto Yamamoto (Osaka University of Economics)

This research focuses on examining the Communist dictatorial government system. Generally, the initial industrialization in the First Five-Year Plan Period (I) and the period of the Great Leap Forward in addition to the Cultural Revolution (II) are perceived contrastively. However, the dictatorial government system continued throughout both periods even though the former was based on urban workers as the social foundation and the latter, on farmers. Moreover, Economic Reforms and Openness system (III) is nothing but a form of the dictatorial government system. The third system intends to involve the entire nation and perpetuate the dictatorial government system concurrently, but it still includes communal clash risks just the same as the first and the second periods did.

The North Korean Economy in the Postwar Period: A Short Essay
Mitsuhiko Kimura (Aoyama Gakuin University)

The North Korean economy in the postwar period is characterized by military industrialization. It was basically inherited from the Japanese colonial period, and Kim Il-sung strengthened it under his rule, borrowing technologies for it from the Soviet Union and later from Japan through Korean residents in Japan. The economic efficiency was sacrificed by political motives for Kim to maintain his power and living standards of people may have been lower than those in South Korea even in the 1960s.

Special Topic II

The Financial Crisis and the Policy Responses in Russia
Yugo Konno (Mizuho Research Institute Ltd.)

The recent financial crisis in Russia was triggered by the large outflow of capital, and the author see the major factors of which include the drastic liberalization of capital transactions in 2006 and the gradual depreciation of the ruble implemented by the Central Bank of Russia (CBR) since November 2008. CBR quickly responded to the crisis by injecting a large amount of liquidities into the banking system, but this
helped little to avoid the credit crunch, as commercial banks diverted them into the capital outflow. The government recently initiated an anti-crisis policy package, but its effect has been delayed.

The Subprime Crisis and the Chinese Economy  
Mariko Watanabe (Institute of Developing Economics, JETRO)

The subprime crisis, which started in 2007, affected China one year later through the shrinkage of the macro economy, not through financial market transactions. Restricted international transaction and conservative incentive system for management of the financial institutions in China discouraged to invest in the subprime securities, which brought the luck to escape from the crisis. In spite of the small damages, the Chinese government implemented extremely aggressive fiscal and monetary policies. This might have generated bubbles in the economy.

Financial Crises in Central and Eastern Europe: IMF Programs and Capital Account Liberalization  
Hideaki Ohta (Ehime University)

Several countries in Central and Eastern Europe have been affected by the global financial crisis after the ‘Lehman Shock’ due to capital outflows under liberalized capital account regimes. European countries with fixed currency regimes have been more strongly affected by the capital outflows than those under flexible exchange regimes. The IMF surveys and studies have not clearly pointed out the potential risks of those countries before the crises. Moreover, the economies under the IMF programs have further deteriorated under the tight fiscal and monetary policies. It would be necessary to consider proper policies of capital account management in financial liberalization and appropriate currency regimes in these countries under the framework of non-IMF economic policies.

Articles

Relationship between Income Redistribution and Sustainability in Financing of a Public Pension System in China: An Application of Actuarial Projection Analysis  
Wei Yong (Yokohama City University, International Graduate School of Arts and Sciences) and Yoshihiro Kaneko (National Institute of Population and Social Security Research)

We investigated the income redistribution through the public pension system for urban citizens in China by regression analyses and the sustainability of pension system in the future by using the actuarial analysis. According to this analysis, although the indexation of pension benefits contributed to the sustainability of financing pension system rather than the wage slide, the redistribution effect of the indexation is smaller than that of the wage slide. This shows that it is necessary to care about the trade-off between sustainability of the pension system and income redistribution when we seek for future pension reforms in China like advanced nations.