Hi-Stat Newsletter

No.3 (April 2005)

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Hi-Stat News

The Japan Academy Prize to Prof. Yukihiko Kiyokawa and the JSPS PRIZE to Associate Prof. Takashi Kurosaki

Editors

The Japan Academy announced on March 14, 2005 that Prof. Yukihiko Kiyokawa (IER, Hitotsubashi University), a member of the macro analysis team (historical statistics and demographic analysis) of the Hi-Stat project, was to be awarded the 2005 Japan Academy Prize for his study "The Formation of a 'Modern' Industrial Labor Force in Asian Countries: Economic Development, Jobconsciousness, and Culture." The award-winning study was published in his book carrying the same title in 2003 by Iwanami Shoten Publishers as a special volume of the Hitotsubashi University Economic Research Library series.

The official statement of the Japan Academy praises his research contribution as follows:

Prof. Yukihiko Kiyokawa has clarified the mechanism by which a high quality industrial labor force is formed in the process of economic development. A high quality labor force is a vital factor of production today and is characterized by motivation and adaptability to the transition to a market economy. Prof. Kiyokawa has analyzed this mechanism by examining job-consciousness

of employees based on his own field surveys covering more than 1700 workers and managers in 50 firms from five industries in China and India over the last 15 years. His book (published by Iwanami Shoten in 2003), compiling the findings of this research, is an epoch-making achievement in empirical research in development economics in Japan that stands out due to its careful presentation of hypothesis settings, data collection through factory surveys, and rigorous statistical analyses.

The 2005 Japan Academy Prize is to be awarded to ten researchers including Kiyokawa. Since the forty-third year of the Meiji era (1910), when the rules for the prize were established, a total of 676 prizes for 592 research projects have been awarded. The 2005 award ceremony is scheduled to be held at the Japan Academy early in June.

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Associate Prof. Takashi Kurosaki (IER, Hitotsubashi University), a member of both the micro analysis team (microeconometric analysis) and the macro analysis team

(historical statistics and demographic analysis) of the Hi-Stat project, was awarded by the Japan Society for the Promotion of Science (JSPS) the first JSPS Prize in March 2005 for his study "Microeconometric Research on Economic Development." The award ceremony was held at the Japan Academy on March 22, 2005.

The JSPS summarizes his research contribution as follows:

Microeconometric research economic on development is an approach to empirically analyze economic behavior of microeconomic agents, such as producers and consumers, market equilibrium/disequilibrium brought interactions, and the process of economic development, based on microeconomic and microeconometric theory. In order to apply microeconometric methods to developing countries, where markets are not well developed and economic data are insufficient, Associate Prof. Takashi Kurosaki has collected microdata on South Asian countries conducting his own fieldwork and then successfully used these data in quantitative analyses. Through this pioneering work, he has established a new field in research on developing economies and contributed to the understanding of economic development.

In contrast to the prestigious Japan Academy Prize, the JSPS Prize was newly established in 2004 to raise the standard of scientific research in Japan to the highest global standards. The purpose of the new prize is to identify and award young researchers conducting outstanding research at an early stage of their careers in order to spur their motivation and promote highly creative, leading-edge research initiatives. Researchers who are under 45 years of age working in all fields of the humanities, social sciences, and natural sciences are eligible for the prize. The Prize Selection Committee, chaired by Dr. Leo Esaki, selected 25 researchers, including Kurosaki, as winners of the first JSPS Prize.

Introduction to Databases, No. 3

Compilation of Micro Databases for Asian Countries by the Microeconomic-Analysis Division of the Hi-Stat Project

Kyosuke Kurita (COE Research Assistant, Hitotsubashi University)

Introduction

Recent years have seen a growing interest in development micro-econometrics, an approach to the analysis of development problems that combines microeconomic theory with the use of micro-data (Kurosaki 2002). This interest has been spurred by, and contributed to, the greater availability of micro-datasets. A well-known dataset for Less Developed Countries (LDCs) is the World Bank's *Living Standards Measurement Study (LSMS)* dataset. Other micro-datasets include those compiled by the International Crops Research Institute for the Semi-Arid Tropics

(ICRISAT), the International Food Policy Research Institute (IFPRI), and the Rand Corporation. Both the quantity and the quality of the data are constantly evolving, and while some of the datasets provide panel data, others consist of repeated cross-section data. These days, many countries, including Thailand, the Philippines, India, Indonesia, and Taiwan, compile labor force and household survey data which are commercially available.

Against this background of greatly improved data availability, the Microeconomic-Analysis Unit of the Hi-Stat Project has been compiling, processing and analyzing micro-data purchased from various national

statistical offices. This article provides an overview of the datasets for Thailand and Philippine, the first processing of which we recently finished. This first processing of datasets we obtain consists of two phases: the first is to convert the datasets from the large text files in which most statistical offices provide them into formats used by statistical software such as SAS, STATA and SPSS. The second phase consists of checking the consistency of data and looking for missing data.

Thailand's Labor Force Survey

Thailand's Labor Force Survey has been conducted by the National Statistical Office since 1963 when the survey was initiated. The main objective of this survey is to obtain information on the size and characteristics of the labor force, including individuals' age, sex, educational attainment, relationship to household head, and the number of household members. In addition, the survey contains information on individuals' employment status, occupation, and method of job search, etc.

In the early years, the survey was confined to Bangkok and urban areas in other regions. The survey was subsequently expanded and between 1971 and 1983 consisted of two rounds for the whole of the country – one during the non-agricultural season in January–March, and one during the agricultural season in July–September. A third and then a fourth round were added in 1984 and in 1998. Since 2001, the survey has been conducted monthly.

Along with the increased frequency, the sample size was gradually expanded over the years. Due to the increasing demand for data, the National Statistical Office in 1989 expanded the sample size to include statistical data at the provincial level. The sample size was further expanded in 1994 (Suehiro 1998). In 1989, the minimum age for workers to be included in the survey was changed to 13 years, which was raised to 15 years in 2001.

A particularly useful feature of the survey is that it contains questions pertaining to migration. As a result,

the dataset has been widely used in migration studies (Kurita 2003), since the survey provides information on the number of years that have passed since a person has migrated and (if the person migrated within the five years prior to the survey) on the former place of residence. Another unique feature is that it is possible to construct a panel dataset from the LFS because the sample households in first and third rounds of the survey are the same. Taking advantage of this feature, labor economists can control for an unobservable labor factor (Yamauchi 2004, Kimura 2004).

However, the survey also suffers from various shortcomings. For example, income data do not contain any information on captive consumption that would be necessary to calculate imputed income.

Thailand's Household Socio-Economic Survey and the Philippines' Family Income and Expenditure Survey

Thailand's Household Socio-Economic Survey (HSES) has been carried out by the National Statistical Office at shortening intervals since 1957, and since 1998 it has been conducted annually. The survey compiles information on household characteristics, members, income, and expenditure. The total number of sample households is between 10,000 and 20,000 in each survey year.

Because of its relatively long history, the survey has been extensively used for micro-econometric analyses by scholars worldwide, including eminent economists such as Robert M. Townsend of the University of Chicago and Angus Deaton and Christina H. Paxson of Princeton University.

The Philippines' Family Income and Expenditure Survey (FIES) is conducted every three years and contains information on household characteristics, members, income, and expenditure. The total number of sample households is between 17,000 and 38,000 in each survey year. Since the sample households of the 1997 FIES were part of the 1998 Annual Poverty Indicators Survey (APIS), we can compile a panel dataset by

combining these two dataset. A recent study in which this survey has been utilized is that by Datt and Hoogeveen (2000) who examined the impact of the Asian Financial crisis on households.

The two datasets, Thailand's HSES and the Philippines' FIES, are quite similar in terms of their survey methods, definitions and concepts. This makes it possible to use them for comparative research such as that carried out by Kurita (2003, 2004), which compared the convergence of income at the provincial level in each country as well as the age-effect on consumption inequality.

Outlook for the future

For Thailand, the Microeconomic-Analysis Unit of the Hi-Stat Project has purchased the HSES 1986-2002 (published annually up to 1998, annually thereafter), the LFS 1991–2001 (all rounds), the Manufacturing Industry Survey 1999–2001 (published annually), while for the Philippines, the FIES (published every three years) for 1985-2003, the 1998 and 1999 APIS and the LFS for 1988–2001 (all rounds) have been purchased. In the future, we plan to establish a large-scale database for LDCs by expanding the coverage to African and Latin American Countries and to incorporate datasets available free of charge such as the LSMS.

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Hi-Stat Discussion Papers (September 2004 - April 2005)

2004/05 (those issued after Newsletter No.2)

- No.41 (September 2004) Kyoji Fukao, Keiko Ito & Hyeog Ug Kwon, "Do Out-In M&As Bring Higher TFP to Japan? An Empirical Analysis Based on Micro-data on Japanese Manufacturing Firms."
- No.42 (October 2004) Kyoji Fukao, Kiyohiko G. Nishimura, Qing-Yuan Sui, & Masayo Tomiyama, "Japanese Banks' Monitoring Activities and the Performance of Borrower Firms: 1981-1996."
- No.43 (November 2004) Akifumi Isogai, Satoru Kanoh, & Toshifumi Tokunaga, "An Extension of the Markov-Switching Model with Time-Varying Transition Probabilities: Bull-Bear Analysis of the Japanese Stock Market."
- No.44 (November 2004) Eiji Ogawa & Takeshi Kudo, "How Much Depreciation of the US Dollar for Sustainability of the Current Accounts?"
- No.45 (November 2004) Junko Shimizu & Eiji Ogawa, "Risk Properties of AMU Denominated Asian Bonds."
- No.46 (November 2004) Takashi Kurosaki & Humayun Khan, "Effects of Human Capital on Farm and Non-Farm Productivity and Occupational Stratification in Rural Pakistan."
- No.47 (November 2004) Ho-il Moon, "Chosen Minsyusyugi Jinmin Kyowakoku Jinko Suikei Kenkyu Note" [in Japanese].
- No.48 (November 2004) Kyosuke Kurita, "Keizai Seityou, Fubyoudou, Hinkon: Thai, Phillipines no Kenbetsu Panel Data ni yoru Keiryou Bunseki" [in Japanese].
- No.50 (December 2004) Kyoji Fukao & Hyeog Ug Kwon, "Why Did Japan's TFP Growth Slow Down in the Lost Decade? An Empirical Analysis Based on Firm-Level Data of Manufacturing Firms."
- No.51 (December 2004) Keiko Ito, "Productivity, Keiretsu, and Agglomeration in the Japanese Automobile Industry: An Empirical Analysis Based on Micro-Data of Census of Manufactures 1981-

1996."

- No.52 (December 2004) Manabu Ozeki, "Taisyou Syoki no Sonmin Keizai Keisan: Yamanashiken Tyousonze niyoru Suikei no Kokoromi" [in Japanese].
- No.53 (December 2004) Robert E. Baldwin, "Failure of the WTO Ministerial Conference at Cancun: Reasons and Remedies."
- No.54 (December 2004) Masayoshi Honma, "WTO Negotiations and Other Agricultural Trade Issues in Japan."
- No.55 (December 2004) Ichiro Araki, "The Evolution of Japan's Aggressive Legalism."
- No.56 (December 2004) Alan V. Deardorff, "Trade and Location: A Moving Example Motivated by Japan."
- No.57 (December 2004) Theresa M. Greaney, "Measuring Network Effects on Trade: Are Japanese Affiliates Distinctive?"
- No.58 (December 2004) Keith Head & John Ries, "Judging Japan's FDI: The Verdict from a Dartboard Model."
- No.59 (December 2004) Keith E. Maskus, "Intellectual Property Rights in Agriculture and the Interests of Asian-Pacific Economies."
- No.60 (December 2004) Sadao Nagaoka, "Determinants of High-Royalty Contracts and the Impact of Stronger Protection of Intellectual Property Rights in Japan."
- No.61 (December 2004) Thomas J. Prusa, "East Asia's Antidumping Problem."
- No.62 (December 2004) Arata Kuno, "An Evaluation of Japan's First Safeguards Actions."
- No.63 (December 2004) Drusilla K. Brown, Kozo Kiyota, & Robert M. Stern, "Computational Analysis of the Menu of U.S.-Japan Trade Policies."
- No.64 (December 2004) Eiichi Tomiura, "Foreign Outsourcing and Firm-Level Characteristics: Evidence from Japanese Manufacturers."

- No.66 (January 2005) Kyoji Fukao, Debin Ma, &
 Tangjun Yuan, "International Comparison in
 Historical Perspective: Reconstructing the 1934-36
 Benchmark Purchasing Power Parity for Japan,
 Korea and Taiwan."
- No.67 (January 2005) Haruko Noguchi & Satoshi Shimizutani, "The Determinants of Exit from Nursing Homes and the Price Elasticity of Nursing Home Care: Evidence from Japanese Micro-level Data."
- No.68 (January 2005) Osamu Saito & Mihoko Takahama with Ryuichi Kaneko, "Contrasts in Vital Rates: Madras and Punjab in the Colonial Period."
- No.69 (January 2005) Hiroaki Chigira, "A Test of Serial Independence of Deviations from Cointegrating Relations."
- No.70 (January 2005) Masayo Shikimi (Tomiyama),
 "Multiple Banking Relationships Are Beneficial?
 Evidence from the Japanese Small and Medium
 Sized Firms."
- No.71 (January 2005) Kyosuke Kurita, "Thai, Philippine, India niokeru Syouhi no Fubyoudou: Kakei Chousa Microdata wo Motiita Gakurekibetu Kyojyuutiikibetu Nenreikouka no Kensyou" [in Japanese]
- No.72 (January 2005) Rene Belderbos & Jianglei Zou, "Divesture of Foreign Manufacturing Affiliates: Country Platforms, Multinational Plant Networks, and Foreign Investor Agglomeration."
- No.73 (February 2005) Haruko Noguchi & Satoshi Shimizutani, "Nonprofit and For-profit Providers in Japan's At-Home Care Industry: Evidence on Quality of Service and Household Choice."
- No.74 (February 2005) Tetsuro Narita, "Toshi Reisai Jieigyou Kakei to Sinyou Sijyou:Nousonbumon deno Kenkyu Chikuseki karano Tenbou" [in Japanese].
- No.75 (February 2005) Reiko Aoki & Sadao Nagaoka, "The Utility Standard and the Patentability of Intermediate Technology."
- No.76 (February 2005) Haruko Noguchi and Satoshi Shimizutani, "Nonprofit/For-Profit Status and

- Earning Differentials in the Japanese At-Home Elderly Care Industry: Evidence from Micro-level Data on Home Helpers and Staff Nurses."
- No.77 (February 2005) Hosung Jung, "A Test for Autocorrelation in Dynamic Panel Data Models."
- No.78 (February 2005) Tomohiro Machikita, "Is Learning by Migrating in Megalopolis Really Important?"
- No.79 (February 2005) Tomohiro Machikita, "Career Crisis? The Impacts of Financial Shock on Entry-Level Labour Market: Experimental Evidences from Thailand in 1997."
- No.80 (March 2005) Takashi Kurosaki, "Crop Choice, Farm Income, and Political Relations in Myanmar."
- No.81 (March 2005) Masuyo Takahashi, "Taiwan Toukei Zasshi Kyoukai wo megutte:Nicchisyoki Taiwan Toukei Jigyou to Mizushina Sitisaburo" [in Japanese].

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- No.82 (April 2005) Kazuhiko Hayakawa, "Small Sample Bias Properties of the System GMM Estimator in Dynamic Panel Data Models."
- No.83 (April 2005) Noriko Inakura & Satoshi Shimizutani, "Yokin Hoken Seido Pay-off Kaikin to Yokinsya Kiritsu:Kakei no Microdata niyoru Azukekae Koudou no Kensyou" [in Japanese].

Seminars and Meetings (April - September 2004)

Hi-Stat Lecture Series

4th (Nov.29 - Dec. 20, 2004) F. Yamauchi (International Food Policy Research Institute/FASID/GRIPS) "Modeling and Testing Informational Learning: Human Capital and Technology."

Hi-Stat Research Seminars

(Only those seminars with English papers/handouts are listed here. There were fourteen regular research seminars and three junior research seminars held during September 2004 - April 2005.)

33rd (Oct. 22-23, 2004) "Macro/Financial Issues and International Economic Relations: Policy Options for Japan and the United States." Held at Gerald R. Ford School of Public Policy and Japan Economy Program, Department of Economics, University of Michign, Ann Arbor, MI.

36th (Dec. 24, 2004) "Conference on Panel Surveys."

37th (Dec. 18-19, 2004) "Hitotsubashi Conference on Economic Statistics."

39th (Feb. 28, 2005) Jean-Pascal Bassino (Maison

Franco-Japonaise/Hitotsubashi University)
"Population Census in South Vietnam during the Colonial Period."

40th (May 28, 2005) Yoshihisa Godo (Meiji-Gakuin University) "The Role of Education in the Economic Catch-Up: Comparative Growth Experience from Japan, Korea, Taiwan and the United States."

43rd (April 27, 2005) Anne Booth (SOAS, University of London) "Did It Really Help to Be a Japanese Colony? The East Asian Economic Miracle in Historical Perspective."

44th (April 14, 2005) Hak K. Pyo (Seoul National University) & Bong Chan Ha (Seoul National University) "A Test of Separability and Random Effects in Production Function with Decomposed IT Capital."



Hi-Stat Newsletter, No.3 (April 2005)

Issued by: Hitotsubashi University 21st Century COE Program Research Unit for Statistical Analysis in Social Sciences C/o Institute of Economic Research, Hitotsubashi University 2-1 Naka, Kunitachi, Tokyo 186-8603 Japan

TEL: +81-42-580-8375, FAX: +81-42-580-8376

E-mail: hi-stat@ier.hit-u.ac.jp,

URL: http://hi-stat.ier.hit-u.ac.jp/english/index.html