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## ERES Open Forum 2011

# Development and Funding of Housing Linked to Nursing Care and Assisted Living

— Improvement of productivity in services for seniors and excellent social capital stock —

 **Nobuhiro Naito** Project Professor

With the backing of the Ministry of Land, Infrastructure, Transport and Tourism and the Association for Real Estate Securitization, ERES Open Forum 2011 was held on October 21, 2011 at Yasuda Auditorium with about 800 participants. The forum was held as a part of the research and exchange activities under the sponsored lecture series "Envisioning Real Estate Securitization (Mitsui Fudosan)" (ERES), and drew participation from a spectrum of practitioners and researchers from government agencies, welfare industry, nursing care industry, financial industry, real estate industry, construction industry, consultancies, and universities.

The forum opened with host's greetings delivered by Visiting Professor Yoshitsugu Kanemoto, and greetings from guests delivered by Deputy Vice-Minister of Land, Infrastructure, Transport and Tourism Keiichi Ozawa and by President Masanobu Komoda of Mitsui Fudosan Co., Ltd. This was followed by the opening keynote address, "The Economics of Aging Society in Metropolitan Regions", by Susumu Takahashi, Chairman of the Institute, Japan Research Institute, Limited. The presentation took a broad perspective on topics such as the need to develop high value-added industries in metropolitan areas by exiting the previous growth model for major cities that relied on population influx, and instead capturing the excess demand in the nursing care, child care, and education fields accompanying the aging of the population and the rising rate of female labor force participation.

I presented a case study research on "Social Housing Investment through the Utilization of US Capital Markets", proposing "social investment funds" as a new form of public-private partnership utilizing market functions. Subsequently, Tomoo Matsuda, Senior Research Fellow of the Platinum Society Center, Mitsubishi Research Institute, Inc., introduced senior communities on a university partnership model as an example of "American Large-Scale CCRC (Continuing Care Retirement Community)", pointing out the importance of intellectual stimulation and multi-generational interactions in senior life.

The session ended with a panel discussion on "Development of Housing Linked to Nursing Care and Its Issues" by Professor Tetsuo Tsuji (Institute of Gerontology, the University of Tokyo), Kisaburo Ishii (Director, Urban Renaissance Agency), Hitoshi Kobayakawa (President, Gakken Cocofump Holdings Co., Ltd.), and Takashi Fujimura (General Manager, Shinsei Bank Health Care Finance Division), moderated by Project Professor Atsushi Yoshida. Recognizing the importance of public-private collaboration and utilization of capital markets toward land and funding in the development of "comprehensive regional care" core facilities and "services-inclusive housing for the elderly", the panel discussed the role of the Urban Renaissance Agency and the significance of health care REITs in implementing these plans.

Recordings and materials from the conference are available at <http://www.pp.u-tokyo.ac.jp/ERES/forum/2011-10-21/index.html>.



Keiichi Ozawa  
Deputy Vice-Minister of Land, Infrastructure, Transport and Tourism



Masanobu Komoda  
President of Mitsui Fudosan Co., Ltd



Susumu Takahashi  
Chairman of the Institute, Japan Research Institute, Limited



## International Symposium:

# "Green Innovation and the Future of Japan"

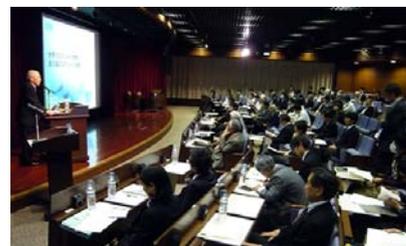
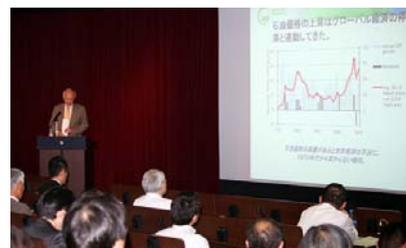
 Jun Izawa Visiting Researcher (INPEX Corporation)

The international symposium "Green Innovation and the Future of Japan" was held on November 8, 2011 at Koshiba Hall. The symposium came under the aegis of the INPEX Corporation sponsored lecture series "Energy Security and Environment", initiated in April 2010.

In his keynote address, former IEA Executive Director Nobuo Tanaka raised the issue of the adverse effects on the world economy of high oil prices trending at over US\$100 per barrel, and noted that energy conservation is the most effective measure that can be taken by consuming countries. He pointed out that Japan has the lowest proportion of renewable energy within primary energy among the OECD countries, and that the keys to coming closer to par with the US and Europe lie in connecting the Eastern and Western Japan power grids, in international cooperation, and in the use of storage batteries.

In the subsequent first session, Itaru Yasui, Vice-Rector Emeritus of the United Nations University, discussed ideas for smart grids of the future. These are based on a combination of power generation that makes use of hydro, geothermal, and CCS (carbon dioxide, capture and storage) fossil fuel, stable power supply networks using fuel cells, and heat supply networks using means such as city gas. Separate from these, the power source for electric vehicles would focus on electricity from unstable natural energy sources. In the next session, Kazumasa Kusaka, former special advisor to the Cabinet, noted that while there is much room for reducing CO2 emissions in developing countries through the introduction of Japanese technology, the specifications of the technology can be too high, especially in the case of some emerging markets. This may instead make lower prices the key for adoption, he noted.

In the symposium, many interesting ideas were presented on future policy options and on the possibilities for actions aimed at corporate business expansion, based on a variety of global warming countermeasures. We are deeply grateful to everyone who participated and supported the symposium.



## 67th Public Policy Seminar

The 67th Public Policy Seminar was held on November 29, 2011 at the Large Conference Room in the Faculty of Law Building 4 with Nippon Steel Corporation Chairman Akio Mimura as presenter.

Despite the concept of a company as belonging to its shareholders, Mr. Mimura, whose wish is to make the company one in which employees work with pride, conducts management under the belief that the company should not be possessed by the sort of shareholders like day traders.

Dealt a blow by the Plaza Accord of 1985, Nippon Steel Corporation undertook thorough business rationalization involving a 75% reduction of its workforce. Asked by the union at the time to spell out the direction in which the company was heading, Mr. Mimura keenly felt the need for a corporate philosophy indicating the path down which the company should proceed. Corporate management must secure stability in management while it considers growth, he noted, and what is vital for this is recognition of and response to crises. As an illustration of Nippon Steel Corporation's crisis response, the company first announced a medium-term vision and undertook rationalization following the Plaza Accord. Subsequently, when Mittal Steel (Netherlands) conducted a hostile takeover of Arcelor (Luxembourg), Nippon Steel Corporation responded by forming a soft alliance with POSCO (South Korea), Sumitomo Metal Industries, and Kobe Steel (both Japan). At the present, with Japan's demand-led growth having peaked while emerging economies achieve development, Nippon Steel Corporation is scheduled to merge with Sumitomo Metals Industries in October 2012 to raise its international competitiveness.

Mr. Mimura also commented on the significance of Japan's participation in TPP and on his hopes for students. The seminar encouraged rethinking of the ideal form for companies and of the relationship of companies, society, and the state.



— Congratulations on your election to the municipal assembly of Tsunan-machi (Nakauonuma-gun, Niigata Prefecture). When did you decide to join the assembly?

I have always been a political person, raised in a household where we talked about topics in the newspaper. When I entered GraSPP, I was vaguely aware that there was an election coming up in three years. However, to become an assembly member I thought that I first should gain experience in society. I became interested in fish while talking classes in the Ocean Policy Unit and I also wanted to work in Niigata, so I found employment at a fish market in Niigata Prefecture.

What made me think of running in the election was the Great East Japan Earthquake. I impatiently decided to return to my hometown. Tsunan was heavily damaged, with splits in the paths between fields. Around the border with Nagano Prefecture were many residences partially or completely destroyed; The area faces many other problems too, such as industry and the declining birthrate and aging population. I felt an acute desire to make changes in the town.

There are a lot of issues I want to tackle. The first is reforming the assembly. I'm considering a live Internet stream of the assembly so that people can observe its proceedings at any time. The entire town is already equipped with optical fiber. I'm thinking of a trial on Ustream in March. I also want to put efforts into agriculture. I come from a part-time agricultural family, and from April I'm an "agricultural gal". There is Koshihikari rice grown in and certified by Tsunan, and Tsunan's Casablanca lilies are famous. Casablanca lilies from Tsunan were among the decorations at the wedding reception of kabuki actor Ebizo Ichikawa and Mao Kobayashi. We have many other local specialty products too. I plan to think of ways to raise the income of farmers. Given the declining birthrate and aging population, I also think that the time has come to consider immigrant workers. Tsunan already has women from Thailand, the Philippines, and Indonesia who have adapted to life in the town, and I'm thankful to them for coming here.



Using an illustration of a daruma doll to conserve campaign funds



Heading to a traditional firefighters' ceremony in the morning

## Student Interview

No. 10

Haruka Kuwahara

Legal Policy Division, 2nd Year

— You spent a year studying abroad as an undergraduate at Oregon State University, didn't you?

It's on the West Coast, so had the appeal of being close to Japan. The people were nice and many of them had new ideas. It felt to me like an atypical part of America. I didn't have money, so instead of a dormitory, I shared an apartment with three Americans for \$300 a month.

I wrote a lot of papers and brushed up my composition skills. In preparing papers, the teaching assistant (TA) was a big help. I was laughed at by the TA, who told me "your papers are unique". I guess the logical development of my writing was typical Japanese style.

— What GraSPP classes made an impression on you? Do you have any other comments regarding GraSPP?

The Case Study (Modern Administration) class of Professor Hiroya Masuda, who pushed me forward when I ran for election, was vital. In Professor Masuda's and Professor Akira Morita's joint Public Management I class, I learned the topic from the basics. In Maritime Industry Policy under Professor Tomoharu Hase (currently Senior Officer, Transport Safety, the Ministry of Land, Infrastructure, Transport and Tourism), I was able to hear directly from people active on the front line of practical work, which made it a very valuable class.

GraSPP was a necessary place for me to become an assembly member. In the past there have been many graduates who became bureaucrats, but an increasing number of students are becoming politicians. I think GraSPP will become an institution like the Matsushita Institute of Government and Management. (Interview and text by editor)



Handmade election car, The Haruka

## Open Symposium:

# "Perspective on Medical Innovation and Systems related Healthcare"

 **Satoko Nishimura** Visiting Researcher

The Sampo Japan sponsored lecture series' open symposium "Perspective on Medical Innovation and Systems related Healthcare" was held on October 13, 2011 in the Faculty of Law No. 25 classroom. The symposium aimed to create an opportunity to think about how innovation in medical care can be incorporated into contemporary Japanese society.

Following opening remarks by Professor Takao Shimizu (Executive Vice President), the keynote speech was delivered by three experts. First, Koji Hachiyama (Deputy Director, the Medical Innovation Promotion Office, Cabinet Secretary) introduced the government's initiatives to achieve quality and cost-effective medical care to create a growth industry. Professor Larry Shapiro (Dean, Washington University School of Medicine in St. Louis) used cases of personalized and preventive medicine through genetics to explain how issues of ethics, regulations, and health care economics are involved. Jaime Caro (Senior Vice President, United BioSource) gave examples of countries employing health technology assessments, in a discussion of the difficulty of striking a consensus between individual patient benefit and public benefit in institutional design, and the importance of continuing the discussion among the public.

In the first part of the panel discussion, Professor Yoichiro Matsu-moto (Executive Vice President) brought up the realistic challenges of ensuring safety when rapidly introducing new technologies into society. Yosuke Ozawa (President, Japan Tissue Engineering Co., Ltd.) offered a critical analysis of the environment in Japan. Tsukasa

Obayashi (Editorial Writer, Nikkei Inc.) commented on the ideal form of health care provider systems, the promotion of IT in medicine, and the importance of mechanisms for appropriately evaluating medical value, on top of safety regulation, price regulation, and regulation of the number of beds.

In the second part of the panel discussion, Professor Hisao Endo (Gakushuin University) spoke about the importance of implementing the concept of cost-effectiveness in setting prices, as well as that of developing the supply-side environment, due to the unlikely-ness of insurance systems becoming tools for industrial develop-ment. Yasushi Kodama (attorney; Visiting Professor, University of Tokyo) used comparisons with regulations for other forms of busi-ness to propose that strengthening information production func-tions regarding regulations for health care, an uncertain technol-ogy, is an effective measure. Kazuyuki Sugimoto (Chairman of the Board of Directors, Mizuho Research Institute) voiced the necessity of eliminating disparities and uneven distribution and of making health care system management efficient, through the review of health care provider systems and insurance systems. In closing remarks, Dean Kuniaki Tanabe stated that it is vital for universities to debate health care problems, which have a great impact on the public's lives.

Despite the length of the session, nearly 300 persons participated from within and outside the university. We would like to express out thanks to everyone who participated in and cooperated with the event.



## Topical News

### Homecoming Day

Shoko Yamamoto, International Public Policy Division, 2nd Year

Homecoming Day was held on October 29, 2011. The following points set this year's event apart as special: (1) Alumni were given an introduction to MPP/IP courses started in 2010; (2) Current students' volunteer activities related to Great East Japan Earthquake reconstruction were reported, and a fund-raising drive was held. To boost participation by current students, posters with photographs were placed everywhere in the Administration Building No.2. The effort was rewarded, and we are grateful to the many foreign students and the larger than usual number of teachers who attended. The Alumni Association looks forward to seeing everyone again next year.



A new book by former Professor Shinichi Nakabayashi of the Graduate School of Public Policy (currently international consultant economist, IMF-Singapore Regional Training Institute), titled "The Economics of G20: International Coordination and Strategies for Japan's Growth" (Chukoshinsho) was released on January 25. The book's main theme is "How should Japan act at G20 summits, with their conflicting international interests? What fiscal, monetary, and economic cooperation policies should Japan take amid the rise of China, the euro crisis, and other turbulence in the world economy? This book explores ideal forms of policy coordination and international contribution amid the financial crises, and offers strategies for Japan's growth." This is a must-read for students with an interest in international political economy.



## NEWSLETTER

[Editor+publisher] GRADUATE SCHOOL OF PUBLIC POLICY  
THE UNIVERSITY OF TOKYO  
東京大学公共政策大学院

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Editor's  
Postscript

A rare event: I enjoyed tiramisu handmade by a male student. I was taken in by the lightly sweet taste with just the right touch of liquor, and most of all, by the gentle sprinkling of cocoa powder performed on the spot. While unexpected aspects of students always surprise me, this may have been a once-in-a-lifetime experience. (Editor)

7-3-1 Hongo, Bunkyo-ku, Tokyo 113-0033, Japan tel 03-5841-1710 fax 03-5841-7877  
E-mail grasppnl@pp.u-tokyo.ac.jp <http://www.pp.u-tokyo.ac.jp>