LUNCH SEMINAR on the Japanese Economy

at the Maison franco-japonaise

"Micro-aspects of Monetary Policy : Lender of Last Resort and Selection of Banks in Pre-War Japan"

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October 4th, 2006 (Wednesday), from 12:30pm to 14:00pm
Maison franco-japonaise, room 601 (6th floor)

With the generous support of the Economic Section of the French Embassy フランス大使館経済部 and the French Chamber of Commerce and Industry in Japan 在日フランス商工議所

Summary

This paper explores how the Bank of Japan (BOJ) dealt with the trade-off between stability of the financial system and the moral hazard of banks in pre-war Japan. The BOJ concentrated Lender of Last Resort (LLR) loans with those banks that had an established transaction relationship with the BOJ. At the same time, the BOJ carefully selected its transaction counterparts, and did not hesitate to end the relationship if the performance of a counterpart declined. Further, the BOJ was selective in providing LLR loans. Through this policy, the BOJ could avoid the moral hazard that the LLR policy might otherwise have incurred.

Biography

Tetsuji OKAZAKI is professor at the Faculty of Economics, University of Tokyo. By the topics he studies and the methodologies he uses, he greatly contributes to the renewal of economic history and of institutional analysis of the Japanese economy. Among his numerous publications in English, one can quote: *The Japanese economic system and its historical origins* (co-edited with Masahiro Okuno-Fujiwara), Oxford University Press, 1999; *Foreign technology acquisition policy and firm performance in Japan, 1957–1970: Micro-aspects of industrial policy* (co-authored with Kozo Kiyota), International Journal of Industrial Organization, 2005; *Holding Company and Bank: An Historical Comparative Perspective on Corporate Governance in Japan*, Seoul Journal of Economics, 2004.

How to attend the Lunch Seminar ?

The participation to the Lunch Seminar is free but registration is strictly required. Please apply by e-mail to : lechevalier@mfj.gr.jp ; or by fax (03-5421-7652) specifying your :

- name
- company or institution
- position
- adress
- phone
- e-mail

NB : The presentation will be followed by a discussion with the participants (in English, no translation).

How to get there ?

Nichifutsu Kaikan (MFJ), Shibuya-ku, Ebisu, 3-9-25
From the Ebisu JR / Hibiya-line station take the Skywalk Exit, turn left and walk 5 mn alongside Yebisu Garden Place.

Please note this is a "brown bag lunch seminar" (please bring your sandwiches or "bento")

Forthcomming

2006 November 7th (tuesday) - 12:30

« Increasing Regionalism in East Asia »

URATA Shujiro (Professor, Waseda University, Graduate School of Asia-Pacific Studies)

2006年11月7日㊋ 12時30分

東アジアにおける増大する地方主義

浦田 秀次郎（早稲田大学大学院アジア太平洋研究科）

2006 December 22nd (friday) - 12:30

« Past, Present and Future Trends in Japan's Household Saving Rate »

Charles Yuji HORIOKA (Professor, Osaka University, Institute of Social and Economic Research)

2006年12月22日㊎ 12時30分

日本の家計貯蓄率の傾向：過去・現代・未来

チャールズ・ホリオカ（大阪大学社会経済研究所）

Information on the speakers and powerpoint presentation is available on the website of the Lunch Seminar on the Japanese Economy:
http://www.mfj.gr.jp/lunch_seminar/lunch_seminar.html