

# Preface

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The world at the beginning of the 21st century must place the highest priority on constructing a sustainable socioeconomic system that can cope with the rapid ageing of populations in developed countries and with the limited environmental resources available in both developed and developing countries. At first glance, the problems of ageing and the environment may seem to be quite separate issues. However, they have a common feature: they both deal with intergenerational problems. The essence of the ageing problem is how to find effective ways for a smaller working generation to support a larger, ageing generation. The crux of the environmental problem is to find a feasible way to leave environmental resources to future generations. Moreover, in terms of consumption, slower population growth may slow consumption and help environmental problems. On the other hand, a rapidly ageing society may use more energy-intensive technology to compensate for the inevitable labour shortage, and deteriorate the natural environment by doing so.

Today, these concerns are highly applicable in Japan. The pressure created by the rapid ageing of the Japanese population is becoming acute; Japan must construct a sustainable society that does not create intergenerational inequity or deteriorate the public welfare. At the same time, Japan cannot deplete its environmental resources and energy, which would leave future generations with an unbearably heavy burden.

The government of Japan has recognized the vital importance of both problems. To explore and implement solutions for this difficult task, in April 2000 former Prime Minister Keizo Obuchi launched several comprehensive and interdisciplinary research projects that he called the 'Millennium Project'. As a part of these projects, the Economic and Social Research Institute (ESRI), Cabinet Office, Government of Japan, initiated a two-year project entitled 'A Study on Sustainable Economic and Social Structure in the 21st Century' in April 2000. While the Millennium Project covers a wide range of topics and a wide range of disciplines such as natural science and technological innovation, the project conducted by ESRI places major emphasis on social science. While taking into account technological innovation and feasibility, it focuses on ageing and environmental problems. It aims to design a desirable socioeconomic structure under the pressure of an ageing population and environmental constraints

by identifying the necessary policy tools to attain stable and sustainable growth.

This project is being implemented with close collaboration among Japanese as well as foreign scholars and research institutes. Besides Japanese scholars and institutes, foreign participants have been involved from, among other countries, the USA, the UK, Norway, Austria, Italy, Australia, Korea and Thailand. In all, there are ten countries and 30 working groups.

In this project, ESRI explores optimal solutions to problems in social science terms. After taking into account the political and social constraints we face, and after alignment and coordination with the results of the studies, it sketches an ideal design and examines the possible direction of future research. This project came to an end in March 2001. It resolved many theoretical and empirical issues, but has created new debates. Twice a year, all the participants in the project, along with invited others, meet to discuss the results of the research. Regrettably, it has not been possible to reproduce the fruitful discussion in the present volume.

Overall, the papers presented in the project were extremely challenging, and covered a wide range of topics. In the near future we strongly hope we will have a chance to discuss the research once more from a common standpoint. The result of this research is published by Edward Elgar Publishing Ltd as part of an ESRI study series, available to policy makers, academics and business people with a keen interest in these subjects. The series on environmental problems covers climate change, sources of energy and technology, and environmental and employment policy. Unfortunately, because of space limitations, we regret that we are able to publish only selected papers from the total research effort. The research papers to be published were selected by the Editorial Board members. We would like to acknowledge the ceaseless efforts of the members of ESRI throughout the project period, especially those of the Department of Administration Affairs. Last but not least, we would like to thank Dymphna Evans from Edward Elgar Publishing.

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