The Toyota Foundation Report for 1975

Prospectus

Sakichi Toyoda, the founder in 1926 of Toyoda Automatic Loom Works, the original Toyota Company, contributed to the good of society through inventions concerning automatic looms. His son Kiichiro carried on his work by diversifying into automobile manufacturing, thus laying the groundwork for the growth of the Toyota Group.

Toyota's guiding philosophy is to make the automobile an integral and beneficial part of a prosperous society. It puts this philosophy into action both through its normal corporate activities and in other ways which directly benefit society, such as contributing to the construction of facilities for cultural activities, promoting education on transport safety, and working to improve the environment.

This philosophy guided Toyota in its decision to commemorate its fortieth year in the automobile industry by establishing The Toyota Foundation in 1974. The goal of the Foundation is to contribute toward the realization of a more people-oriented society and a resulting increase in human happiness.

The Foundation will view events from a global perspective as it works to support activities for the benefit of society. Its support will be aimed at identifying current problems in the following areas:

1. human and natural environments; 2. social welfare; 3. education and culture. Grants will be provided for research and projects consistent with these interests. Toyota Motor Company, Ltd. and Toyota Motor Sales Company, Ltd. jointly provided the Foundation's original endowment.

The founders hope that as the Foundation works to achieve its objectives it will play an important role in meeting the demands of contemporary society.

September 19, 1974

Eiji Toyoda
President, Toyota Motor Co., Ltd.
Shotaro Kamiya
President, Toyota Motor Sales Co., Ltd.

Report for Fiscal 1975

April 1, 1975 to March 31, 1976

The Toyota Foundation Tokyo, Japan

Message from the Chairman

In a time of unprecedented changes on a universal scale in the interaction of individuals, cultures, environments, systems and values, society is increasingly generating questions for which satisfying answers have yet to be found.

It is the goal and purpose of The Toyota Foundation to be of help in eliciting such answers by supporting individuals and institutions whose research and projects can contribute to offering humanity a more fulfilling and rewarding life.

At present, we are one of the world's youngest foundations. We hope, therefore, to develop new viewpoints and new methods with which to approach society's problems. Regardless, however, of the style of approach, we remain confident that mankind is limitless in the capacity to solve its problems and make this earth a joyous place to live.

尝四美二

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Executive Vice-President, Toyota Motor Sales Co., Ltd.

^{*} Susumu Nakagawa assumed the office on October 1, 1975. Fumio Nakamura held this office from October 1974 to July 1975.

The Executive Director's Report

The First Year: Finding The Way

A foundation is an institution dedicated to the public interest rather than private gain. In modern society, the role of the foundation is to contribute to providing fundamental solutions to numerous problems that occur as the result of rapid and extensive social changes. Toward that end, a foundation is required to both identify and help to solve these various problems.

Unlike government, a foundation's reservoir of funds for solving problems is limited but this is more than offset by such unique advantages as its ability to involve itself with "unproven" possibilities for the sake of knowledge per se and to provide opportunities for shaping the best possible destiny for society. And once its activities have clarified the initial stage of the problem-solving process, a foundation can hand over the task to government or local autonomous bodies which have far greater financial resources at their disposal.

A foundation is constantly taking a "transcendental" step ahead of government by supporting matters that are of social import but which government has yet to display interest in. A foundation, in short, is called upon to maintain a healthy vitality in society on a long-range basis.

A foundation may therefore be considered a catalyst that humanity provides for its own future. It is also intended to promote the health and enhance the diversity of society. What is important in this respect is that a foundation should never expect to be in the limelight but should expect to dedicate itself wholeheartedly to accomplishing its mission without appreciation or recognition.

— Yujiro Hayashi

A "Foundation in the Modern Sense"

The above is a summary of the raison d'etre of independent private grant-making foundations¹ (hereafter referred to as foundations unless otherwise specified), based on statements both spoken and written by leaders of outstanding American and European foundations.

If, then, we incorporate these concepts into a definition of "a foundation in a modern sense", it can be said that the climate of Japan is ready for the creation of this type of foundation. In recent years, Japanese society has been rapidly intensifying its trend toward political, social and economic diversification both internally and externally. For a country which had previously relied, with success, only on homogeneity, this is a major, significant change that touches the very fiber of the nation and deserves full attention. Further, as long as we consider a foundation to be, as is generally agreed, a catalyst for accommodating social diversity, it is obvious that a social need calling for the emergence of American-type foundations must now in fact exist in Japan.

And yet, even if such a need were not sufficient, there is further justification for this type of foundation in Japan today. As long as we consider a foundation not a government organ but a non-profit organization with its own funds, the source of funds inevitably becomes donations from institutions and individuals. In terms, then, of corporate capital accumulation and corporate interest in and concern about social problems, it is safe to say that in contemporary Japan the climate is ripe for the development of foundations.

The reason why I make special mention of "a foundation in a modern sense" is because I want to differentiate this concept from foundations as they have existed in Japan in the past. Through a review of Japan's historical experience I feel that Japan has a long tradition of philanthropy.

Aside from whether or not it would be appropriate to regard as philanthropy the various undertakings conducted or approved by two of Japan's most renowned Heian Period Buddhist priests, Kobo Daishi (774-835) and Dengyo Daishi (767-822), in education, medicine, engineering and other fields, the renowned Jesuit scholar, Luis P. Frois (1532-1597) repeatedly refers in his *Historia do Japão* to Buddhist priests' quarters at Mt. Hiei in Kyoto as "the foremost Japanese college", quite probably because he simply recognized the institution as such. It therefore follows that whatever its public identification might have been, a "college" already existed in Japan at that time.

Subsequently, in the 18th and 19th centuries during the Tokugawa Period, primary schools took the form of "temple schools" and spread rapidly throughout the country. The immense popularity of these schools is eloquently attested to by the fact by the time of the Meiji Restoration in 1868 such temple schools were so numerous that the number of elementary schools established by the Meiji Government to implement compulsory education was only slightly larger.

Needless to say, such temple schools were not profit-making organizations. Yet they also were not government undertakings. Left without alternatives, we must conclude that they were philanthropies.

Moreover, although they were not identified as such, institutions similar to hospitals were operating around Buddhist temples in Japan even before the Meiji Restoration.

Quite obviously, Buddhist temples served as the parent body for these various organizations and had traits in common with the Christian church, the parent body for philanthropic bodies in Medieval Europe. All this convinces me that Japan has, in fact, a long history of its own kind of philanthropy.

Oddly enough, however, after the Meiji Restoration, Japan relegated philanthropy to a minor, small-scale position of priority in favor of industrialized economic expansion. Why?

One of the major reasons for this situation, I believe, was that after the Meiji Restoration, government assumed the responsibility for undertaking and at times prescribing increasing varieties of social activities.

A case in point is the regulations governing charitable corporations, contained in the Japanese Civil Law enacted in 1896, which provide the legal framework for the operations of foundations. Article 34 of the Civil Law states: "Corporations and foundations concerned with festivals, religion, charity, scientific research, the arts and other activities dedicated to the public interest, and established for the purpose of non-profit-making activities, may become a juridical person on the approval of relevant government offices." Charitable corporations are thus required by law to accept government leadership of their activities.

In subsequent years, as more charitable corporations were established on the strength of government subsidies, the tendency toward greater government leadership became increasingly pronounced. This trend remained basically unchanged even after World War II, and today, the pattern of government leadership continues strongly in philanthropic activities in Japan.

This all bears out the concept of a foundation-government relationship radically different from that of the United States and Europe. But it appears that as of halfway through the present decade a new outlook is taking shape which is why I have taken pains to distinguish Japan's Meiji Period-and-after philanthropic attitudes from "a foundation in the modern sense."

Diversification As a Historical Turning Point

As stated above, the fact that diversification is growing steadily in many areas of Japanese society may be regarded as one of the most essential factors contributing to the nurturing of a raison d'etre for a foundation in the modern sense. As a most typical example, I would like to cite the current welfare programs now in effect in Japan. Until recently, the generally-accepted view was that government (national or local) was solely responsible for welfare programs in their entirety. But recent years have seen a gradual change in such ideas.

A new way of thinking has emerged: that social welfare is not something that government alone should be entrusted with, but that it is something for which the Japanese themselves should be responsible. Needless to say, such thinking was the direct result of a financial crisis. But be that as it may, it is significant that a growing number of Japanese are deciding that social welfare benefits should not be distributed unilaterally by government, that the public should take the initiative in the matter since it is something that directly involves themselves.

I applaud the new ideas. This trend apparently signals a new public consensus about social welfare.

What then is welfare?

I believe "welfare", as we conceive of the concept in this context, is something about which each individual should decide. It is something that should not be offered indiscriminately or unilaterally. It would also be a fallacy to conclude that everything that has to do with welfare can be had without responsibility. The current reappraisal of Japan's welfare program indicates, I am convinced, a consciousness raising in, and greater concern about, the problem on the part of the Japanese people.

In recent years, there has been considerable discussion in Japan on the subject of diversification, which has proved to be the source of some uneasiness to the Japanese, a distinctly homogeneous people in terms of both history and tradition. Because of this background, some have claimed that diversification signals instability.

Diversification, however, has more often been the rule rather than the exception in North American and European societies in which, in fact, the generally-accepted idea through the ages seems to have been that a society is an assembly of heterogeneous elements. It naturally follows that despite the fact that diversification is today a worldwide phenomenon, it does not seem to have become much of a problem outside Japan. This is probably because of preconceptions that make the concept of diversification a matter of course. For the Japanese, however, for so many ages a homogeneous nation, diversification engenders insecurity. Japanese society has in the past reacted negatively non-Japanese concepts.

Yet today a move has begun to encourage diversification. For Japan, this is a phenomenon that demands examination. In fact, it is no exaggeration to say that the current move is a significant turning point in Japanese history.

The Importance of a Foundation's Concentrated Internal Strengths

In essence, the emergence of diversified social needs may be said to indicate the growing necessity in Japan for a foundation willing to experiment before government makes any move, the reverse of the situation under strong government leadership until now.

However, that is simply one of the conditions which exist outside a foundation, in the environment in which the foundation lives. And unless these external conditions are supported by the foundation's own potentialities, substantial results are impossible.

What, then, are these potentialities?

The best foundations must be able to evaluate people's abilities accurately and ahead of the times. A guiding principle of well-established foundations in the United States and Europe is that it is essential that a foundation find outstanding people and then give them support.

This has been said to require more than merely evaluating the capabilities of individual people accurately. It requires the most effective combination of three elements: people who are at their neak in life in terms of creativity and activity; people who embrace timely, vitas ideas; and an institution which sets the stage for the activities of such people which is also at its zenith and is receptive to the ideas of such people and to their execution. And to identify the timing when the above three elements are combined properly is evaluation in the true sense of the word.

The finest foundation activities have always been the result of this ideal execution of evaluation—which means that such foundations were strong enough to, on their own, combine those three essential factors. The right combination of these three elements can be considered a prerequisite to a foundation's helping shape the best possible destiny for society.

Grant Programs in First Year

"The Toyota Foundation will view events from a global perspective as it works to support activities for the benefit of society. Its support will be aimed at identifying current problems in the following areas: 1) human and natural environments; 2) social welfare; 3) education and culture. Grants will be provided for research and projects consistent with these interests ..."

So states the Prospectus of The Toyota Foundation which was established in October 1974 as a grant-making foundation and which began grant-making activities in 1975.

During the initial phase of its activities, the Foundation decided to concentrate for the time being on what appeared to be the most viable activities, and in accordance with the guidelines in its Prospectus decided to limit grant-making by public subscription only, for which selection committees were established for individual areas of research.

We received an enormous number of grant applications totaling 678, of which 349 were in the field of Human and Natural Environments; 143 in Social Welfare; and 186 in Education and Culture. Of these applications, 39 were selected as grant recipients: 14 in Human and Natural Environments; 12 in Social Welfare; and 13 in Education and Culture.

To examine recent trends in Japanese academic research, I would like to look at "Science and the Humanities in Japan", popularly called Japan's Academic White Paper, which the Ministry of Education published in August 1975. The

paper points to some major gaps in the natural sciences, humanities and social sciences despite the fact that academic research in principle should be international in character.

Specifically, a comparison of the teaching staffs of national universities introducing their theses in international academic circles in the natural sciences during the last five years shows that:

those who have never presented their papers in journals = 57% those who have presented their papers in journals = 41% unknown = 2%.

By contrast, in the humanities and social sciences, the above ratios were 88%, 10% and 2% respectively which indicates a conspicuous isolationism in Japanese academic circles.

In the humanities and social sciences, almost 90% of the teaching staffs of national universities kept their doors entirely closed to the outside world—truly alarming isolationism. This situation is underscored by the fact that it is often pointed out at international academic and other conferences that, viewed from without, the Japanese humanities and social sciences are a total "black box."

One explanation is that, unlike the natural sciences, the humanities and social sciences for one thing lack universally-accepted symbols and are rather deeply concerned with views on value, which inevitably encourage isolationism. By comparison, econometrics, even though a branch of economics, is replete with universal symbols which accounts for its extremely high degree of internationality. But that can hardly be the fundamental reason; the situation is more likely the result of a lack of effort toward internationalization among researchers in the humanities and social sciences.

To help improve this situation, as part of its grant-making activities, The Toyota Foundation has helped launch a fellowship program for Japanese social scientists (operated by the International House of Japan) which, at a time when the Fulbright scholarship program is decelerating, assumes great importance.

Under this fellowship program to be carried out in cooperation with the Ford Foundation, about 100 young Japanese social scientists will be sent to the United States, Europe and other countries to study. For the first year, six such researchers will be selected, and will be received by the Social Science Research Council in the United States. The program's objective is to pave the way for scholars in the social sciences to play active parts in international activities.

Of the 39 recipients, with the exception of one fellowship 38 were given strictly research grants, but it goes without saying that the Selection Committee gave utmost attention to the manner in which, as a private foundation, The Toyota Foundation could provide research grants to best meet the needs of society.

One of the targets in selecting recipients was to provide research grants that would inclusively embrace the fields of the natural sciences, engineering, the humanities and the social sciences. This was the objective from the very establishment of The Toyota Foundation, and for that purpose study areas had been designated in such a manner that without the humanities and social sciences, the program would not be complete.

A close look at Japan's Academic White Paper mentioned above shows, for instance, that the greater majority of Japan's Ministry of Education subsidies for scientific research for fiscal 1974 were distributed to the natural sciences:

	Applied	Granted
Humanities	11.5%	9.1%
Physics	30.8%	33.2%
Chemistry	16.9%	15.8%
Biology	40.8%	41.9%

In addition to this distribution of state subsidies for scientific research, the primary priorities of most existing Japanese foundations had not included the humanities and social sciences.

In other respects, too, The Toyota Foundation's first-year grants fulfilled the program's objectives in like manner.

Grant recipients are comparatively young. The average age of the recipients was 47.1 years in the fields of Human and Natural Environments; 49.2 years in Social Welfare; and 48.3 years in Education and Culture.

The age distribution was seven researchers in the 30-39 age bracket, 13 in the 40-49 age bracket; 15 in the 50-59 age bracket and four in the above-60 age bracket, indicating a comparatively large number of young researchers vis a vis Japanese grant recipients.

Geographically, recipients represented a cross-section of the whole of Japan, from Hokkaido in the north to Okinawa in the south.

Another interesting feature of these research teams is that there is a more apparent tendency toward inter-academic relationships. Of course, this is an increasing tendency in recent years, but the fact that researchers in the natural sciences and engineering and those specializing in the humanities or social sciences have joined forces for joint research projects is a distinctive feature of the Toyota program. The fact that inter-academic teams are formed for research projects that are carried on over a long period of time, rather than symposiums that are held for a short duration, is especially worthy of note.

These are encouraging trends. And yet I do have some regrets about the initial period. One is the fact that at the outset the Foundation's plan was to set a ceiling of ¥50 million on the amount of any single grant that the Foundation would offer, in order to be able to make fairly large funds available. The foundation received a large number of applications for large-size grants but in the end it was reluctantly obliged to scale down the ceiling amount due in part to its comparatively limited budget.

The great majority of the research themes, generally speaking, tended toward the solution of problems in an allopathic manner.

Research Grants (in ¥1 million)	Human and Natural Environments	Social Welfare	Education and Culture	Total
.01 2	2	3	4	9
2.01 4	0	2	3	5
4.01 - 6	4	3	3	10
6.01 - 8	3-	2	2	7
8.01 - 10	3	1	0	4
10.01 - 12	2	0	0	2
12.01 - 14	0	1	0	1
14.01 - 16	0	O	1	1
Total	14	12	13	39

Total grants: ¥216,280,000

Average grant amount: ¥5,540,000

Fulfilling Social Responsibilities

Assuming that the ideal posture of a foundation is to encourage, ahead of government, trials and experimentation to respond to social needs as indicated at the outset of this report, the grant-making activities of The Toyota Foundation in the first year were not altogether satisfactory, as I pointed out earlier. Of course, this situation may be peculiar to the first year, but it is also necessary to recognize the limitations imposed by the fact that prospective recipients of the Foundation's grants are totally determined by public subscription. The Foundation may find it necessary, for some time to come, to continue to rely on the public subscription method but in the future it will have to inaugurate other types of activities aimed at exploring social needs subjectively.

Outstanding foundations of the United States and Europe invariably have a staff of qualified program officers. However, frankly speaking, such has not necessarily been required yet in Japan. This is because, especially in terms of policies relating to social activities, the basic rule was for Japan to follow the pattern of government taking the leadership—so much so that it was not always necessary for a foundation to be on its own and government experts played the role of program officers.

This entailed no problems as long as foundations followed the lead of government. But with changing circumstances has come the need for foundations to have their own staffs of competent program officers. For this reason, The Toyota Foundation has decided to train its own program officers.

The training of personnel, however, cannot be done at a moment's notice. And too, Japanese society today has a large number of experts in many fields, who are generally in government or business organizations. By contrast, the number of experts in the third sector³ is extremely small. In addition, program officers for a foundation must perform a function which has virtually not existed in Japan until now and about which much remains to be learned.

For instance, the major activities of The Toyota Foundation based on its articles of endowment involve research and projects on Human and Natural Environments, Social Welfare, and Education and Culture.

Fortunately, Japan has a number of outstanding experts in these fields. That, however, does not mean that we can depend on these existing experts, and simply being an expert does not suffice to adequately perform functions required of program officers.

To be qualified as a program officer, one must satisfy a variety of demanding requirements:

- the ability to identify social needs not only in ideological terms but also in extremely concrete terms from the moment of their inception;
- * the ability to cultivate and be advised by the ablest and most creative people for the problems thus identified;
- the ability to both be open to and encourage new ideas on the one hand and at the same time assess them;
- the ability to be creative and at the same time have a wealth of integrated ideas.

Moreover, it is not the program officer but other people who are brought into the limelight when a problem is successfully solved. The program officer must therefore be magnanimous enough to be content with playing the role of catalyst.

Since Japan has virtually no experienced program officers, foundations must

develop their own. And if this has become necessary for the future of Japanese society, it must be done regardless of all the path-breaking what will necessarily accompany it.

In the final analysis, the best way to get to the other side of a mountain is by getting to the other side. A foundation must thus have the potentiality to help shape society's destiny. I am convinced that this is the only way for a foundation to fulfill its social responsibilities.

Yujiro Hayashi Executive Director

Notes:

- 1. "Independent" means that operation is conducted independently of private interests. A "grant-making foundation" is distinguished from an "operating foundation" in that it provides grants (subsidies) to organizations or individuals, while the latter spends all its funds to carry out its own programs.
- 2. A professional position in the grant-making division of an independent foundation. The program officers must have up-to-date information and knowledge about prospective grant recipients for the foundation's activities and carry out investigations on proposals that had been applied for and prepare reports of such investigations. But, of course, these are minimum requirements for program officers. An outstanding program officer should keep in close touch with the public and identify current social needs, working wherever possible with those who are carrying out useful social activities on the basis of detailed planning and experimentation.

Such program officers should be well acquainted with virtually all qualified people in their respective fields and therefore be in a position to receive advice and comments whenever necessary. When the first such program officers become available, a foundation's potential for helping to shape a society's destiny begins.

3. In this case, the "third sector" is not defined in the conventional Japanese meaning (a company established under a joint capital investment program with government or local public entities to play the lead role in regional and city development) but represents the non-government, non-profit sector, as distinguished from the first sector (government and local public entities) and the second sector (the private profit-making sector such as corporations).

Grant Program

Human and Natural Environments

Effects of Urbanization on the Hydrological Cycle A Case Study of Tsukuba Gakuen City
Masami Ichikawa, Professor (and four associates)
Earth Science, Tsukuba University
¥8.8 million

The impermeability of water through the ground surface and deterioration of plant life are characteristics of a modern city where the balance of the natural environment is undergoing rapid change.

Destruction of the ecological balance brings about abnormal conditions in the water cycle, causing urban floods and the drying up of underground water. But to date, comparatively little research has been conducted on the subject.

Based on their experiments with research on changes in the hydro-cycle through urbanization at Tama New Town in Tokyo, Prof. Ichikawa and his team are now launching a similar research project at Tsukuba Gakuen City, a sprawling campus town now under construction north of Tokyo.

Research on Children's Playground Environment Mitsuru Senda, President (and five associates)

Environment Design Institute

¥5.85 million

In contemporary Japanese cities, children are being deprived of space to play, which constitutes a most important part of their life. Much research has been conducted on the subject, most of which has concentrated on the prevailing conditions of municipal parks and other projected facilities.

This joint research project aims at assessing a "children's minimum" for playing space and finding ways of securing such space against a contemporary urban setting. The project includes surveys on types of children's games and other play activities, playmates, time spent playing, etc. along with a comparison of regional differences and the effects of playing on children's psychological and physical growth.

Research on Methods of Medical Evaluation of Urban Air Pollution and Its Relation to Environmental Standards

Toshio Toyama, Professor (and four associates) Medical Department, Keio University ¥7.2 million

At a time when health hazards caused by urbanization are posing serious problems, this research project is devoted to measuring the reactions of living bodies by testing the functions of the lungs after inhaling air pollutants within the prescribed safety range. Experiments are conducted on the inhalation of

pollutants singly and in combinations as found in the air to determine their effects on human health.

The ultimate aim of this project is to set up realistic environmental standards particularly in the area of air pollution.

Development of A Special Video System to Record Driving Operations and the Establishment of Safe Driving Guidelines

Kinya Maruyama, Professor (and four associates)
Department of Literature, Tohoku University
¥6.15 million

This project aims at exploring effective ways of providing motorists with safe-driving education by closely analyzing the behavior and reaction of motorists "inside" the car, rather than outside which has been the case with most past research devoted to drivers' psychological aptitude tests and driving techniques taught by driving schools. A video system, now under development, is used to capture and analyze the multi-faceted behavior and reactions of the driver in the "mobile isolation booth."

Research toward Prevention of Environmental Pollution with Tissue Samples
Yuzo Fukuyama, Professor (and three associates)
Medical Department, Asahikawa Medical College
¥12 million

To assess environmental hazards to human health, the abnormal value representing the function of the human body must be compared with the normal value. In recent years, the normal value has been fluctuating due to growing urbanization and industrialization and thus more difficult to determine.

This project is designed to overcome these difficulties in three ways: 1) Develop and improve analytical technology and establish a system for checking the spread of environmental pollution; 2) Calculate the normal value by examining the effects of pollutants on residents of Hokkaido with the nation's lowest pollution level; and 3) Open a Tissue Sample Bank where specimen will be frozen for analysis pending further technological developments.

Development of Assessment Method on Emergency Communication and Public Reaction Kitao Abe, Professor (and three associates)

Foreign Language Department, Tokyo University of Foreign Studies

¥7.6 million

This research program is designed to find new ways of assessing and facilitating prompt and accurate dissemination of disaster information to ensure the minimum possible damage in times of emergency which might otherwise lead to public panic.

Dissemination of information at the outbreak of an earthquake or other disasters is explained, with

emphasis on four factors: the sender, the media, the receiver and the receiver's reaction.

Information from the sender is analyzed in terms of its content and quantity and the timing and method of transmission, along with characteristics of the transmitting media and the selection of target audiences to ensure accurate communication and rational reaction.

Compilation of A Comprehensive Data Book on Psychology of Road Traffic Safety

Yasuhisa Nagayama, Assistant Professor (and two associates)
Department of Human Science, Osaka University
¥4.6 million

This project compiles an up-to-date comprehensive data book on road traffic safety viewed from the psychology-related sciences for the preparation and implementation of realistic traffic safety policies and programs.

The results of past research are categorized by program areas and expanded, after being given theoretical assessment and integration, for use by city planners and by traffic safety and other experts. The process is equally significant in that it develops efficient filing and evaluation systems.

Comprehensive Study of Malaria Ecology in Developing Community in a Tropical Forest Mamoru Suzuki, Assistant Professor (and four associates) Medical Department, Tokai University ¥9.45 million

The site of this research project is Tomé-Açu in Pará State, Brazil, a tropical district along the Amazon whose natural environment has been artificially modified with the development of a human community, resulting in a sudden outbreak of malaria.

The research team estimates and compares the malariometric rates of the Tomé-Açu inhabitants by examining the parasite and spleen rates and also by measuring serum titer of the people by the malaria fluorescent antibody technique.

The ultimate objective of the study is to assess malaria endemicity and correlate it with animal and plant ecologies which are affected by man-made environments imposed on a primeval forest.

The project, undertaken by a combined team of Brazilian, British and Japanese researchers, sheds light on the relationship between urban dwellers and disease as well as clarifying the man-disease relationship in an adverse natural environment.

Research on Traffic Controls in A High-Density
Traffic Society
Kanou Hoshino, President (and one associate)
Japan Society of Traffic Engineers
¥9.5 million

In an effort to develop traffic control systems in a high-

density traffic society, this project assesses, through surveys and experiments, the effectiveness of traffic signs, street lights and other traffic controls, with an analysis of their psychological impact on motorists and motorcycle and bicycle riders.

Its findings will be incorporated in an integrated guide to traffic safety that provides "standardized" ways of installing traffic signs and lights to ensure utmost traffic safety.

In Japan, methods of installing traffic signs, for instance, vary by region or by the authorities concerned, resulting in reduced efficiency and considerable confusion, which this project intends to solve by concrete and effective methods.

Research on Reorganization of Bus Transportation Systems

Shigeru Morichi, Assistant Professor

Department of Engineering, Tokyo Institute of Technology ¥1 million

The bus is the most popular mass transportation system for a great many city residents. It is an indispensable means of mobility for the "transportation poor." Bus transportation, however, is now confronted with two serious problems: deterioration in both passenger service and revenue. And yet, the bus is consistently seen as an important means of urban transport, despite the development of the monorail and other new rapid transit systems and the PRT (Personal Rapid Transport).

This project is designed to revamp today's bus transportation in the overall urban transport system, focusing on unpopular bus routes, frequency of runs and punctuality of operations.

Changes in the Climatic Environment through Urbanization

Toshie Nishizawa, Professor (and six associates) Department of Literature, Rikkyo University ¥10.7 million

A heat balance peculiar to urban areas forms a "heat island" between the atmosphere and the earth, the reset of extensive man-made work on the ground surface through stepped-up urbanization (a new ground surface lacking in water permeability and water retaining features and with little uneveness) and increased energy consumption.

This research project analyzes the changes occurring in the heat balance of the air and the ground and changes in an urban temperature structure to determine the tolerance limit of energy consumption. It should produce data useful in the development of urban environments in the future.

Effects of Urbanization on Children's Living Space and Psychological Development: A Factual Analysis and Appraisal

Shotaro Tsumakura, Professor (and three associates)
Department of Humanities and Sciences, Nihon University
¥5 million

This research project pursues the proper framework for children's living space in the course of urbanization. The project examines in particular the effects of various changes in an urbanized living environment on the development of children; changes in space for playgrounds; changes in types of games; differences in children's mode of behavior according to their distances from the city.

This is an inter-divisional project that combines social psychology, infant psychology, public health and city planning to examine children in a changing urban environment.

Econometrical Analysis of Fluctuations of Urban Land Prices and An Appraisal of Land Policy Impact Kazuyuki Tanaka, Assistant Professor

Department of Economics, Seikei University ¥0.5 million

Much remains to be explored as to the relationship between the enforcement of restrictive measures on land use, public investment and real estate price levels. In particular, real estate value determinations have inevitably been a trial and error process along with urban public policies including measures restricting the use of land.

This research project does not attempt to solve a grandiose problem but rather restricts the range of its research activity to the relationship between land prices and the urban structure and to appraise the effects of various policies on land prices.

Research on the Formation of Nitrogen Oxides in the Lives of Soil and Plants in Urban and Suburban Areas Michihiko Yatazawa, Professor (and six associates)
Department of Agriculture, Nagoya University
¥4.2 million

Of all the nitrogen oxides now in existence, the process of denitrification by organisms is increasing and is estimated to comprise the bulk of all existing denitrification equivalent to about 40 million tons recorded on earth each year. Nitrogen oxides formed by the combustion of petroleum in an urbanizing and industrializing society are becoming a major source of air pollution.

Nitrogen oxides also occur through the manuring of nitrogenous fertilizer due to the denitrification process by micro-organisms.

In an urbanizing environment, this project clarifies the relationship between the denitrification of soil and the moisture of the ground, the volume of organic matter and the category and density of plant life. It also analyzes the relationship between the occurrence and development of nitrogen oxides and soil in urban and suburban areas and the means of controlling them.

Social Welfare

Comprehensive Research on Asian Labor Affairs Tsuneo Ono, Senior Research Officer (and two associates) Japan Institute of Labor

¥2 million

This research examines the necessity and effectiveness of multinational businesses in terms of their attempts to develop local autonomy in their overseas operations. Japanese corporations operating in the Philippines, Singapore and Malaysia are compared with American and European corporations and local industries as to: 1) business management and labor management systems; 2) employment system; 3) wage system; 4) welfare program; and 5) labor-capital system. Emphasis is given to an examination of long-term employment, the development of individual employees' capabilities, the effects of labor-management relationship, etc. and how these factors affect Japanese business overseas.

Health Indices for A Modern Society and An Appraisal of Health and Medical Treatment Hiroshi Abe, Professor (and five associates) Medical Department, Osaka University ¥13 million

Medical care has become so complex that it is a consideration broader than the framework of medical technology. Hence this research, which examines a combination of factors to develop a comprehensive health index based on individuals' changing views on health as a result of increased education, higher living standards, an increase in the aged population, changes in the social structure due to changes in the industrial structure, environmental pollution, etc.

Today's health and medical treatment systems are also appraised to develop a welfare state medical care system. Medical science, the social sciences, engineering and related fields are combined in this socially significant inter-divisional project.

Urban Community Development in Developing Countries

Tetsuro Sasaki, Professor (and one associate) Department of Education, Tohoku University ¥2.2 million

On their extensive studies on community development involving farming and fishing villages in such countries as Canada, the United States, Brazil, Israel, Bangladesh and the Philippines, this research team has become aware of the need for community development inclusive of urban areas. This, in brief, was the circumstances behind the launching of this project.

Under this project, on-the-spot studies are made of specified sectors of Manila and Hong Kong to examine the shifts in population, vocational breakdown of residents, effects of regional administration on schools and local community, etc. in an effort to establish

requisite factors for community development in these areas.

Studies on the Medical Care Situation of Residents of Outlying Okinawan Islands
Seizo Sakihara, Assistant Professor

Department of Health Education, University of the Ryukyus ¥1.6 million

The recent population shift in Okinawa Prefecture has brought a phenomenal influx of people to the cities, resulting in rapid depopulation of Okinawa's outlying islands, threatening the administrative basis of their existence. A reexamination of various administrative and social services is mandatory.

This is particularly true for health and medical treatment: many of Okinawa's distant islands are without doctors, with medical service at an extremely deplorable level.

This research in medical sociology and cultural anthropology analyzes health service or the lack of it in outlying Okinawan islands, to provide a health control system that reflects the wishes of the islanders. The project provides new premises from which to develop a realistic medical service program for residents of isolated islands.

Changes in the Distribution of Income and Wealth Through Economic Growth and Urbanization in Developing Countries

Toshiyuki Mizoguchi, Assistant Professor (and four associates)
The Institute of Economic Research, Hitotsubashi University
¥8 million

In creating economic development programs, developing countries have so far been primarily interested in elevation of income, and economic assistance by advanced countries had been extended on that premise.

Subsequent economic growth, however, has accelerated inequalities in income and wealth, an especially grave problem because it is related to the decline of rural areas in contrast to increased urbanization. Worldwide research has been conducted by ILO, the World Bank, and other international institutions to present a comparative analysis of these inequities, but to date no concrete conclusions have been arrived at because of conflicting statistics which differ by country or region.

This research is based on extensive data on Japan, South Korea, the Philippines and Brazil, exploring the distribution of income and wealth over a period of time, thus serving as a guide for Japan in reviewing income programs when participating in economic development programs with developing countries.

Research on Indices of Social Unrest Masatoshi Seya, Professor (and two associates) Department of Literature, Aoyama Gakuin University ¥4.4 million

The oil crisis of 1973 produced a slowdown in the Japanese economy and a recession, resulting in an awareness of the need to reexamine values and objectives. After the end of Japan's high-level economic growth, the social structure has also been forced into drastic transformations. The abrupt changes in values and in the social structure have kindled a sense of insecurity among the Japanese people.

This research examines social unrest in the context of the interrelationship between social unrest involving the social structure and members of society in an effort to establish a social unrest index, at the same time identifying warning indicators that can be effective in predicting social unrest.

Despite the prevalence of social unrest and tension, no concrete indices or adequate countermeasures have yet been established, for which reasons this research is significant in a rapidly changing society.

Project on Mobile Health Clinics Susumu Tsukahara, Professor (and six associates) Medical Department, Fukushima Medical College ¥6.2 million

Today's urban society is replete with factors that impair mental and physical functions, including environmental pollution, increased monotonous labor and increased psychological strain. Health as currently measured merely indicates the absence of illness. The development of a new health index determining what factors constitute successful individual functioning in an urban environment is essential.

This research project aims at developing the basic design for a system for measuring individual mental and physical health by means of a mobile clinic.

It is a major step toward development of an effective health and welfare program for local communities including those with residents who have physical handicaps.

Basic Research on the Question of Social Outlays Takashi Kuramata, Associate Director & Senior Researcher (and three associates)

Social and Economic Systems Department, Nomura Research Institute of Technology and Economics ¥6 million

The recent expansion of social and economic activities and changes in values have brought about increased outlays in various sectors of society. Greater social expenditures lead to inequities in the distribution of wealth, a deterioration in welfare programs, etc., for which the implementation of effective countermeasures—including changing the present market-oriented economy into a welfare-type economy—is required.

Much theoretical research has been conducted on social costs but has not been sufficiently useful for policy-making. This project clarifies the concept of social outlays with a review of past case studies to explain the causes of social costs and establish a working theoretical basis for them.

Research on the Process of Change in Okinawan Farm Villages and on the Condition of the Climate and Machinery for Change

Yoshiyasu Uno, Professor (and eight associates) Department of Literature, Keio University ¥5 million

Although intended to contribute to the promotion of people's well-being, welfare programs carried out under government leadership often result in failure. The primary cause is government distributing welfare with a statistical rather than a human understanding of the recipients. Such unilateral execution of policies engenders alienation among recipients and misappropriation within the system, incurring effects in opposition to the stated objectives of the programs.

This research analyzes the traditional complex human relationships inherent in Okinawa from the viewpoint of community communication to determine a favorable environment for the distribution and reception of welfare benefits.

The project provides basic theoretical insight into the administration of a welfare program, an invaluable aid to Japan's mapping out assistance programs.

Research on Realigning Human Factors for Urbanization

Takashi Kagoyama, Professor (and seven associates) Department of Literature, Sophia University ¥1.8 million

Alienation from society is the cause of many social problems in cities, alleviation of which is essential for maximizing the effectiveness of social welfare programs and stabilizing and expanding the quality of people's lives.

This research investigates the isolated lives of elderly people, physically-handicapped people, working youth and low-income wage-earners, all in Kawasaki City, near Tokyo, where urbanization has taken an enormous toll on the quality of the living environment.

The project aims at determining a new "human network" to overcome alienation, developing a new way of life for urban residents and re-establishing people as the core and purpose of cities.

This research adds a new dimension to the investigation of the basic factors involved in the relationship between human beings and their changing urban environment.

Econometrical and Institutional Research on Urbanization and Welfare Zenichi Ito, Director (and five associates) Community Development Research Committee, Institute of Statistical Research ¥8.7 million

This research is an overall examination of problems involved in urbanization, social welfare and medical care to provide a basis for planning and executing welfare and welfare-related policies for an urbanizing society.

Specifically, it deals with: 1) determination of fundamental directions for mapping out municipal policies through a socio-economic analysis of factors characteristic of urbanization—both positive and negative; 2) methodological scrutiny of welfare indicators and preparation of regional data to assess the effects of city planning and related policies; and 3) establishment of a comprehensive medical service system by solving the growing regional gap in medical care standards, the persistent demand for which exceeds availability of medical treatment, the rise in medical costs, etc.

Socio-Psychological Research on the Problems of the Aged as a Result of Family Fluctuations Due to Urbanization—In Search of a Meeting Ground for Problems of the Aged and of Youth Tailiro Hayasaka, Director (and five associates) Institute of Social Welfare, Rikkyo University ¥3 million

With a recent increase in Japan's elderly population has come a host of problems peculiar to people of advanced age. The growing number of nuclear families as a result of urbanization has changed families' mode of living, resulting in isolation for the elderly.

On the other hand, the relative decrease in the youth population and the resultant shortage of the young labor that supports economic expansion are creating a climate of excessive favoritism for Japanese youth.

This research project presents an analysis of the trend toward the nuclear family system in Japan, by combining problems characteristic of the elderly people and the young in an attempt to explore new family relationships and to clarify the elderly-young relationship which has not yet been adequately evaluated.

Education and Culture

Research on the Effects of Urbanization on Child Education

Mamoru Sato, Professor (and six associates) Department of Education, Akita University ¥5.6 million

The progress of urbanization has brought about changes in regional societies and in families, which in turn have had a great impact on early childhood

education. Human relations within the family, parental attitudes toward the care of children and expectations for children are undergoing changes.

This research project, from the pedagogical and psychological viewpoints, makes a comparative analysis of urban and farming areas to examine changes in: 1) the educational function of the family; 2) child care; 3) regional communities' attitudes about children; 4) life structure of children; 5) child development; and 6) problems involved in the present nursery school system.

Higher Education in a Mass-Education Age—An Analytical Review of Research Report by The Carnegie Commission on Higher Education Fujio Ikado, Professor of Philosophy (and six associates) Tsukuba University

¥8 million

The increasing accessibility of higher education has not only expanded the number of institutions of higher learning but has also produced changes in the institutions' objectives, role in society, student enrollment, financial status, etc. Japanese universities now find themselves in a chaotic situation, unable to cast aside their traditional and often conservative policies in this era of mass education.

This research project re-examines the unprecedently comprehensive research program on higher education carried out by The Carnegie Commission on Higher Education, comparing it with the present state of higher education in Japan to analyze the problems confronting Japanese universities and to find appropriate solutions.

This project contributes to placing Japanese higher education in its proper perspective and accelerating academic activities.

Research on International Comparison of Problems Involved in Urbanization and Changes in Language Life

Fred C.C. Peng, Professor (and four associates)
Department of General Education, International Christian
University

¥3.65 million

The Japanese language has undergone rapid change as a result of urbanization but no extensive research has yet been done on the subject.

Based on sociolinguistics, this project attempts to fill this research vacuum by isolating and examining these changing language patterns. A comparative analysis is made of its findings with similar research carried out in New York and Philadelphia in an effort to determine the mechanisms of an urbanizing language in Japan and the United States.

This project will clarify the relationship between regional linguistic differences and social strata, the linguistic life of people with differing backgrounds and language development, child language and family education, and other areas.

Survey and Development of Evaluation Lists for Use by Institutions of Higher Learning for Life-Long Education

Kazuo Hara, Professor

Department of General Education, International Christian University

¥1.2 million

Besides contributing to the promotion of academic research, institutions of higher learning have the responsibility of providing their local communities with life-long education. And therein lies the need for universities to carry out an institutional renovation to fulfill the varied desires of the community, while endeavoring to improve their academic standards.

This project aims at developing self-analysis checklists and model evaluation lists to clarify the extent of interest or lack of interest in lifetime education on the part of institutions of higher learning, comparison of lifetime programs offered by foreign universities, systems for operating and managing the program, etc.

Cities as Transnational Actors

Joji Watanuki, Professor (and four associates)

The Institute of International Relations for Advanced Studies on Peace and Development in Asia, Sophia University ¥5.3 million

In this era of internationalization, cities throughout the world are playing an increasingly important role in promoting international trade and communication, in the process necessarily developing an international character.

This project makes a comparative analysis of Japanese cities with overseas "sister cities"—Philadelphia and Columbus, Ohio, in the United States and Bombay in India—where similar research has been conducted. Indices are drawn up for measuring the extent of internationalization of these cities to clarify the relationship between cities and international relations.

Under a joint program with overseas researchers who have already produced substantive achievements in this field, this project describes closer international interchange among the world's cities and contributes to defining the role of cities in a new international setting.

Measurement of Investment Efficiency of On-the-Job Training by Corporations

Yoko Sano, Professor (and two associates) Department of Commerce, Keio University ¥1.5 million

The economic growth of the world's major cities, often explained in classical terms (increase in manpower, capital and land), can be better defined by grasping the level of qualitative improvement of a labor force on the basis of school education. However, the value of such education cannot be ascertained clearly without proper

assessment of the effects of on-the-job training by major corporations.

But on-the-job training in Japan is affected by local labor practices such as: 1) difficulties in estimating the costs of such training programs; 2) the absence of effective ways of measuring the qualitative value of such programs; and 3) the underdeveloped state of analysis of vocational training in the macro sense, beyond the corporate level.

This project makes a multivariate analysis of variance of corporate training programs, particularly as to the cost and impact which are assuming greater importance in contemporary society.

Research on Unique Features of Public Theatricals in Bali and Their Contemporary Significance in Relation to the Birth and Development of Japanese Dramas Michio Morinaga, Professor

Department of General Education, Tezukayama University ¥1.45 million

Bali in Indonesia is unique among the world's islands in that all the population is to some degree involved in public theatricals and Bali is considered the birthplace of many forms of the world's entertainments. Japanese Shinto music and dancing, Noh plays and Kabuki are said to have originated in Bali. As such, Bali provides a major key to reassessing the psychological value of public entertainments against the backdrop of today's highly mechanized civilization.

Through a comparative analysis of the public entertainments of Bali and Japan, this research project attempts to clarify the significance of public entertainments and culture in contemporary society in an effort to provide answers to the basic question, "What is the nature of public entertainments and culture?"

Psychological Research into the "U-Turn Phenomenon" Among Youth

Taketoshi Takuma, Professor (and four associates)
Department of Humanities, Tokyo Metropolitan University
¥4.5 million

As urbanization escalates, many young people desert rural areas in favor of big cities, most of them living alone while working in the cities. It appears that many are not stable: they change their occupations often, moving from job to job, while many make a "U-turn", going back to their home towns in rural areas only a few years after having left for the city.

This research interviews "U-turners" individually to examine their motives for moving to the city, and to determine the contradictions between their original concept and their actual experience of urban life. At the same time, the project conducts a survey of high school students who evidence the potential to abandon the cities for rural life, through questionnaires on their personal experience of urban life and their impressions thereof.

The "U-turn phenomenon" is becoming an increasingly significant problem with which cities must deal. The project will shed much light on the psychological influence of urbanization on young people.

Comparative Research on Creativity and Personality of Japanese and American University Students Junichi Kobayashi, Professor

Department of Literature, Sophia University ¥1.2 million

Japan's university entrance examination system has had adverse effects on the creativity development and personality formation of Japanese youth, and improvements in the system are urgently needed.

No substantial theoretical research, however, has yet been conducted in Japan on the relationship between creativity and personality so much so the existence of useful evidential data will be an important aid to reform of the system.

This psychological research project examines the achievement-oriented priorities of the system, in an attempt to appreciate comprehensive abilities, and analyzes in particular the relationship between creativity and personality by comparing Japanese and American university students. The project will clarify the initial step to be taken for a reform of both the university entrance examination system and university education itself.

Investigative Research on Overseas Teaching Materials:

- Research on Information on Japan in American and Southeast Asian Textbooks.
- 2. Studies on Japanese Entries in Foreign Encyclopedias Published in 15 Countries

Seiichi Iwao, Director (and five associates) International Society of Educational Information ¥8 million

For nearly 20 years, this research team, in collaboration with related organizations, has conducted investigations on entries about Japan in foreign textbooks, encyclopedias, reference books, etc. and has prepared or translated articles with corrected context and facts whenever erroneous entries were found. They have also called upon authors, editors, publishing houses and other parties concerned to revise their misleading publications.

The primary objectives of this project are: 1) revision of erroneous items or portions devoted to Japan, contained in publications of the United States and Southeast Asia; 2) revision of Japanese entries in foreign encyclopedias published in 15 countries and the furnishing, prior to publication, of accurate information on detailed items on Japanese personages of histrical significance.

Fellowship Program for Japanese Social Scientists Yoichi Maeda, Managing Director International House of Japan ¥15 million

Since the social sciences in Japan are in a very sophisticated stage of development, the results of research in these fields become increasingly important. But the great majority of Japanese scholars in these fields have difficulty in communicating their work internationally because of language barriers. Many Japanese researchers thus find it extremely difficult to participate in international research activities.

It is imperative that Japan train young researchers who can play leading international roles in the various fields of the social sciences. Toward this end, this fellowship program provides young Japanese social scientists with an opportunity to conduct research for a period of two years at foreign universities or research institutions to develop a transnational perspective, a spirit of cooperation and the ability for improved international communication and fruitful interchange of ideas and experiences. A number of collaborative organizations including the Social Science Research Council in the U.S.A. are cooperating in this program, and the program is jointly funded by The Ford Foundation.

Ethno-Ecological Study of The Nilotic People—The Bodi in the Southwestern Ethiopia Katsuyoshi Fukui, Assistant Researcher Institute for the Study of Languages and Cultures of Asia and Africa, Tokyo University of Foreign Studies ¥3.9 million

The structure of society and culture is intimately related to the natural environment and a people's way of living in that environment.

This project concentrates on the Bodi tribesmen who live remote from modern civilization in southwest Ethiopia, in an isolated society structured around traditional cattle breeding in an inhospitable natural environment. The emphasis of the research is on the adaptability of the tribesmen to their surroundings, their outlook on life, and the mechanism of their settlement in a particular region, among other aspects.

Cost-Benefit Analysis of Continuing Education Through Urbanization Shogo Ichikawa, Chief (and two associates) 3rd Research Section, 2nd Research Department The National Institute for Educational Research ¥2.53 million The regional shift in new school graduates toward the

cities not only increases imbalances among local economies but also accelerates the movement of the labor force.

Often cited as a means of stopping this vicious cycle are financial arrangements and locally generated activities within the communities—subsidizing

continuing education for the benefit of the local community.

This project assesses: 1) the heavy concentration of demand for education in the cities in parallel with urbanization; 2) correction of the inequities and wastes of local economies' having to shoulder the burden of education outlays which are not returned in labor; and 3) ways of realizing continuing education through special post-secondary education programs and locations and appropriate financial arrangements.

This research examines the effects of investment in continuing education and related factors within the context of growing urbanization.

Financial Report for Fiscal Year 1975

Settlement of Accounts (April 1, 1975 – March 31, 1976)

		Unit: Yen
	Fiscal 1975	Fiscal 1974
INCOME	ad a constitut d'es francesses et d'housed d'es de constitut d'es d'el d'étables à fait met et l'art est est e	
Balance brought forward from the previous year	78,936,538	
Interest from the principal endowment	286,571,296	156,550,254
Interest on working endowment	63,355,309	3,002,764
Donations	2,000,000,000	
Total income	2,428,863,143	159,553,018
EXPENDITURES		
Grants and program expenses	266,376,269	2,443,642
Administrative expenses	54,333,458	21,462,470
Expenses for establishing offices		56,710,368
Income transferred to working endowment	2,000,000,000	
Total expenditures	2,320,709,727	80,616,480
Excess of Income over Expenditures	108,153,416	78,936,538

Note: Fiscal 1974's surplus is transferred to fiscal 1975's budget.

Fiscal 1975's surplus is transferred to fiscal 1976's budget.

In fiscal 1974, program activities were not effected due to establishment

of offices and other initial preparatory activities.

Balance Sheet (as of March 31, 1976)

Unit: Yen

	Fiscal 1975	Fiscal 1974
ASSETS		
Cash	25,469	78,490
Bank accounts	35,945,495	63,990,598
Marketable securities	5,115,009,180	2,986,096,865
Prepaid expenses	1,420,120	1,420,120
Advance (disbursement)	8,322,192	29,601,713
Fixed assets	49,535,125	54,121,021
Total assets	5,210,257,581	3,135,308,807
LIABILITIES		
Accounts payable	41,847,490	1,831,145
Deposits received	721,550	420,103
Reserves	10,000,000	133,057,559
Endowment fund:		
Principal endowment	3,000,000,000	3,000,000,000
Working endowment	2,157,688,541	133,057,559
Total liabilities	5,210,257,581	3,135,308,807

Endowment Status

Unit: Yen

	End Fiscal 1975	End Fiscal 1974
Principal endowment	3,000,000,000	3,000,000,000
Working endowment	2,157,688,541	133,057,559
Total	5,157,688,541	3,133,057,559

Note: The working endowment at the end of fiscal 1974 includes ¥54,121,021 of fixed assets

The working endowment at the end of fiscal 1975 includes \$49,535,125 of fixed assets.

Articles of Endowment (Translated from the Japanese)

Section One: General Article 1. Name

This Foundation shall be called the Zaidan Hojin Toyota Zaidan, and its English title shall be The Toyota Foundation Article 2. Address

This Foundation's office shall be located at 1-1. Nishi-Shinjuku 2-Chome, Shinjuku-ku, Tokyo 160, Japan

Section Two: Objective and Programs Article 3. Objective

The objective of this Foundation is to contribute toward the realization of a humanoriented society by providing grants for research and projects related to the human and natural environments, social welfare, education, culture, and other fields.

Article 4. Programs

In order to achieve its objective, this Foundation shall conduct the following programs:

- Provide grants for research and projects related to transport safety:
- Provide grants for research related to the human and natural environments, education, culture, and other fields
- Provide grants for projects related to the human and natural environments, social welfare, education, culture, whole-man education of youth, and other projects;
- Provide grants for research and projects in foreign countries, particularly in developing countries, in the fields outlined in 1, 2 and 3 above:
- Provide grants for other programs as required in order to achieve this Foundation's objective.

Section Three: Assets and Accounting Article 5. Make-up of Assets The Assets of this Foundation shall consist of

the following items:

- Assets endowed to this Foundation at the time of its establishment and listed in its Statement of Assets;
 2. Assets donated after this Foundation's
- establishment:
- Returns from investment of assets;
- Income from projects:
- Other income.

Article 6. Categories of Assets

- The Assets of this Foundation shall be divided into two categories: Principal Endowment and Working Endowment.
- Principal Endowment shall consist of the following items:
 - (1) Assets listed as Principal Endowment in the Statement of Assets at the time of establishment:
 - (2) Gifts made after establishment and designated as Principal Endowment
 - (3) Assets included under Principal Endowment by resolution of the Board of Directors.
- 3. Working Endowment is all Assets other

than Principal Endowment.

Article 7. Management of Assets

- The Chairman of the Board of Directors shall manage this Foundation's Assets.
- Principal Endowment which is in cash shall be deposited in postal savings accounts, in accounts with reliable financial institutions, entrusted to a trust company, or converted into government bonds or other negotiable securities. The Chairman shall select the method of deposit subject to approval by the Board of Directors.

Article 8. Restrictions on the Disposition of Principal Endowment

Principal Endowment shall not be depleted or encumbered. However, subject to the approval of the competent government agency and the consent of two-thirds or more of the members of the Board of Directors, Principal Endowment may be disposed of when such action is essential for conducting this Foundation's programs

Article 9. Payment of Expenses

Expenses for this Foundation's activities shall be met by funds from its Working Endowment.

Article 10. Fiscal Period

The fiscal period of this Foundation shall begin on April I of each year and end on March 31 of the following year.

Article 11. Programs Plan and Annual Budget

Annual programs and budget proposals of this Foundation shall be resolved by the Board of Directors and submitted to the competent government agency prior to the start of each new fiscal period. The identical action shall also be taken it substantial changes are introduced to programs or the budget.

Article 12. Annual Report and Financial Statements.

An Annual Report, Statement of Appropriations and Payments, and Statement of Assets shall be approved by the Board of Directors and submitted with an Auditors' Report to the competent government agency within three months after the close of each tiscal period

Section Four: Officers

Article 13. Officers and Their Appointment

- This Foundation shall have the following Officers:
 - (1) Not less than seven nor more than fifteen Directors;
- (2) Not more than five Auditors
- The Board of Trustees shall appoint Officers
- The Directors shall elect from among themselves one Chairman, one Executive or Managing Director, and, when deemed necessary, one Vice-Chairman.
- No person may serve as a Director and Auditor simultaneously

Article 14. Duties of the Officers

- The Chairman of the Board of Directors shall represent this Foundation and preside over all Foundation affairs
- The Vice-Chairman shall assist the Chairman, and perform the duties of Chairman when the Chairman is indisposed or the Chairman post is vacant.
- The Executive Director or Managing Director shall assist the Chairman and Vice-Chairman and perform the duties of Chairman or Vice-Chairman when either is indisposed or either post is vacant.
- The Directors shall comprise the Board of Directors, and shall deliberate and decide on matters prescribed in these Articles of Endowment,
- The Auditors shall perform the following
 - (1) Audit this Foundation's current assets: (2) Report on the current performance of duties by the Directors
 - (3) Report to the Board of Directors and to the competent government agency any suspicion of irregularities they discover in the condition of this Foundation's assets or the performance of its affairs

Article 15. Terms of Office

- The term of office for Officers shall begin on July I and end two years later on June 30. However, even if their term expires. Officers shall continue in office until their successors replace them.
- Officers may be reappointed to office
- The term of office for an Officer appointed to fill a vacancy or to assume a newly established post shall be the unexpired term of the former Officer or the same term of office remaining for other Officers

Article 16. Dismissal of Officers

An Officer may be dismissed from office if the Board of Directors and the Board of Trustees deliberate and resolve that such Officer has behaved in a manner unbefitting an Officer of this Foundation, or in the event of special circumstances

Article 17. Compensation for Officers

- Officers other than full-time Officers shall is a rule receive no compensation. However, compensation may be paid if deemed necessary
- Provisions concerning compensation and other matters related to Officers shall be deliberated and resolved by the Board of Directors

Section Five: Board of Directors

Article 18. Board Chairman

The Chairman of the Board of Directors shall preside over Board meetings

Article 19. Matters for Deliberation and Decision

In addition to the matters prescribed

elsewhere in these Articles, the Board of Directors shall deliberate and decide on the following matters:

- Policy regarding priority of the grants prescribed in Article 4 above to be provided during the fiscal year;
- Decisions on grants prescribed in Article 4
- Other matters of importance related to the management of this Foundation.

Article 20. Convening of Board Meetings

- The Chairman shall convene meetings of the Board of Directors.
- The Board of Directors shall convene in ordinary and extraordinary meetings.
- Ordinary meetings shall be convened twice every year.
- Extraordinary meetings shall be convened under the following circumstances:
 - (1) Whenever the Chairman deems such a meeting is necessary
 - (2) Whenever one-third or more of the Board members request a meeting with a specific statement of the purpose for the meeting
- When a meeting is to be convened, all Board members shall be notified in writing of the matters for deliberation, and of the time and place of the meeting.

Article 21. Ouorum

The Board of Directors cannot convene. deliberate or make resolutions without half or more of its members duly assembled.

Article 22. Board Decisions

Except as prescribed elsewhere in these Articles, decisions of the Board of Directors shall be made by a majority vote of the Directors in attendance. In case of a tie vote, the Chairman shall make the final decision Article 23. Proxy and Other Votes A Board member who for unavoidable reasons is unable to attend a Board meeting may vote in writing on matters communicated to him in advance, or he may appoint another Board member to vote for him by proxy. For the purpose of determining matters prescribed under Articles 21 and 22 above, such a member shall be considered to be in

attendance. Article 24. Record of Proceedings

- A record of the proceedings of meetings of the Board of Directors must be prepared and preserved. This record shall include the following items:
 - (1) Date and place of meeting;
 - (2) Current total number of Board members;
 - (3) Names of Board members in attendance, including those who vote in writing or by proxy:
 - (4) Resolutions adopted:
- (5) Deliberation proceedings.
- The Chairman, and two or more other Board members representing the members in attendance, must affix their seals to the record of proceedings

Section Six: Trustees and the Board of Trustees

Article 25. Trustees

- This Foundation shall have thirty or fewer Trustees.
- Trustees shall be nominated by the Board of Directors and appointed by the Chairman of the Board of Directors
- Trustees of this Foundation may also be Officers.
- The provisions of Article 15 (Terms of Office), Article 16 (Dismissal of Officers) and Article 17 (Compensation for Officers) shall also apply to Trustees, wherein the word "Officers" shall be substituted by the word "Trustees.

Article 26. Board of Trustees

- The Trustees of this Foundation shall comprise its Board of Trustees,
- The Board of Trustees shall appoint Officers, and shall advise the Chairman of the Board of Directors on matters on
- which he requests advice. The provisions of Article 18 (Board Chairman), Article 20 (Convening of Board Meetings), Article 21 (Quorum), Article 22 (Deliberation and Decisions), Article 23 (Proxy and Other Votes), and Article 24 (Record of Proceedings) shall also apply to the Board of Trustees, wherein the words "Board of Directors" and "Directors" shall be substituted by the words "Board of Trustees" and "Trustees respectively

Section Seven: Selection Committees Article 27. Members of Selection Committees

- This Foundation shall have a number of persons serve on Selection Committees.
- Members of Selection Committees shall be leading scholars or professionals nominated by the Board of Directors and appointed by the Board Chairman
- Members of Selection Committees may also be Officers.
- The provisions of Article 15 (Terms of Office), Article 16 (Dismissal of Officers), and Article 17 (Compensation for Officers) shall also apply to the members of Selection Committees, wherein the word "Officers" shall be substituted by the words 'Members of Selection Committees.

Article 28. Selection Committees

- The members of Selection Committees shall comprise the Selection Committees:
- The Selection Committees shall select candidates for the grants prescribed in Article 4 above, and shall refer their selections to the Board of Directors for final disposition.
- The Board of Directors shall rule on matters necessary for the operation of the Selection Committees

Section Eight: Secretariat

Article 29. Secretariat

- This Foundation shall establish a Secretariat to administer its affairs staffed by a Secretary-General and other staff members.
- Staff members of the Secretariat shall be appointed and dismissed by the Chairman of the Board of Directors.
- The Board of Directors shall rule when necessary on matters related to the Secretariat.

Section Nine: Amendment of Articles of Endowment and Dissolution

Article 30. Amendment of Articles of Endowment

These Articles of Endowment cannot be amended without the consent at a Board Meeting of two-thirds or more of all members of the Board of Directors and the approval of the competent government agency

Article 31. Dissolution

Except for reasons prescribed in Clause 3 or Clause 4, Paragraph 1. Article 68 of the Japanese Civil Code, this Foundation may not be dissolved without the consent of threefourths or more of all members of the Board of Directors

Article 32. Disposition of Residual Assets With the consent at a Board Meeting of two thirds or more of all members of the Board of Directors and the approval of the competent government agency, the residual assets of this Foundation at the time of its dissolution shall be donated to organizations with interests similar to those of this Foundation.

Section Ten: Supplementary Provisions Article 33. Implementation of These Articles The Board of Directors shall rule on matters necessary in order to implement these Articles of Endowment.

BYLAWS

- Despite the provisions of Article 10 herein, the first fiscal year of this Foundation shall begin on the day that this Foundation's establishment is approved and end on March 31, 1975.
- Despite the provisions of Article 13 herein, the Officers of this Foundation shall be those persons listed on attached
- Despite the provisions of Article 15 (Clause 1), Article 25 (Clause 3), and Article 27 (Clause 3), herein, the terms of office for Officers, Trustees and Members of Selection Committees shall extend until Iune 30, 1976.
- Despite the provisions of Article 11 herein, the Programs Plan and Proposed Budget of this Foundation for its first fiscal year shall be as described on attached sheets.

Chronological Data

1973	Sept. 10-1	 Boards of Directors of Toyota Motor Co. (Sept. 10) and Toyota Motor Sales Co. (Sept. 11) adopt resolutions to establish foundation
	Oct. 12	Organizing Committee formed
1974	Apr. 22	Submission to Prime Minister's Office of Prospectus, Articles of Endowment, Programs Plan and Budget Proposal
	Aug. 10-2	O Ten Directors and two Auditors appointed
	Oct. 15	Prime Minister's Office approves establishment of The Toyota Foundation; Foundation is registered
	OctNov.	Twenty-one Trustees and twenty- one Selection Committee members appointed
	Dec. 5	Dissolution of Organizing Committee
	Dec. 20	First meeting of Board of Directors
1975	Mar. 19	Activity program and budget established for fiscal 1975
٠	Apr. 21	First acceptance of grant applications
	June 30	Final acceptance of grant applications; total: 349 for Human and Natural Environments; 143 for Social Welfare; 186 for Education and Culture
	July 1	Auditor Fumio Nakamura deceased
	Oct. 1	Susumu Nakagawa assumes office as an Auditor; fiscal 1975 grants decided; for Human and Natural Environments, 14 recipients, ¥92,250,000; for Social Welfare, 12 recipients, ¥61,900,000; for Education and Culture, 13 recipients, ¥61,830,000.
	Oct. 15	First grants awarded