

TAKEO HOSHI

Shorenstein Asia-Pacific Research Center
Stanford University
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Experience

Stanford University (December 2012 – Present)

Henri and Tomoye Takahashi Senior Fellow, Shorenstein Asia-Pacific Research Center (December 2012 – Present)
Professor of Finance (by courtesy), Stanford Graduate School of Business (December 2012 – Present)

Federal Reserve Bank of San Francisco (January 2013 – Present)

Visiting Scholar

University of California, San Diego (July 1988 – December 2012)

Pacific Economic Cooperation Professor of International Economic Relations (July 2002 – June 2012); Professor; (July 2000 – December 2012); Associate Professor (July 1994 – June 2000); Assistant Professor (July 1988 – June 1994).

L'École des Hautes Etudes en Sciences Sociales

Visiting Professor (March 2014)

Australian National University

Visiting Professor (March-April 2013)

International Monetary Fund

Visiting Researcher (August 2011)

Center for International Research on the Japanese Economy, University of Tokyo

Visiting Scholar (December 1999, January 2007, June 2010, October 2011).

Institute of Monetary and Economic Studies, Bank of Japan

Visiting Scholar (April-July 1998).

Faculty of Economics, Osaka University (April 1997 – March 1998)

Tokio Marine & Fire Visiting Associate Professor of Economics of Risk and Information

Education

May 1988

Ph.D. in Economics, Massachusetts Institute of Technology

Cambridge, MA. Thesis Title: Government Reputation and Monetary Policy. Thesis Committee: Professor Stanley Fischer, Professor Olivier Blanchard Professor Robert Gibbons

March 1983

Bachelor of Liberal Arts (Kyōyō Gakushi), University of Tokyo

Tokyo, JAPAN. Major: Social Sciences.

Professional Activities: Academic

Takeo Hoshi (Continued)

Research Associate, **National Bureau of Economic Research** (2003-Present); Research Associate, **Tokyo Center for Economic Research** (2006-Present); Senior Fellow, **Asian Bureau of Financial and Economic Research** (2013-Present); Co-Editor, *Journal of the Japanese and International Economies* (2013-Present, Editor-in-Chief, 1999-2012, Associate Editor, 1993-1998); Associate Editor, *International Review of Finance* (1998-Present); Associate Editor, *Journal of Financial Services Research* (2000-Present); Associate Editor, *Journal of Financial Stability* (2010-Present); Faculty Fellow, **Research Institute of Economy, Trade, and Industry** (2002-2004).

Professional Activities: Non-Academic

Board of Directors, **Union BanCal Corporation** (2009-2014); Board of Directors, **San Diego World Trade Center** (2007-2010)

Honors

Japanese Bankers Academic Research Promotion Foundation Award (2015)
Reischauer International Education Award (2011)
Enjoji Jiro Memorial Prize (2006)
Nakahara Prize (2005)
Nikkei Prize for Excellent Books in Economic Science (2002)

Grants

National Institute for Research Advancement Grant “Institutional Foundation for Innovation-Based Economic Growth” (2014-2015)
Sasakawa Peace Foundation Grant “New Channels: Reinvigorating the U.S.-Japan Relations” (2013-2015)
National Institute for Research Advancement Grant “Why Did Japan Stop Growing?” (2010)
Social Science Research Council East Asia Regional Working Group Research Planning Grant (1996)
UCSD Affirmative Action Faculty Pre-Tenure Award (1992)
UCSD Chancellor’s Summer Faculty Fellowship (1991)
Sloan Scholarship for thesis writers (1987-1988)
Fulbright Scholarship (1984-1988)

Research Interests

Japanese economy; financial crises; financial regulation; monetary policy; corporate governance.

Publications

1. Books

Corporate Finance and Governance in Japan: The Road to the Future (Joint with Anil Kashyap) Cambridge, MA; MIT Press, 2001.

Takeo Hoshi (Continued)

(Japanese version titled *Nihon Kin'yu System Shinka-ron (Evolution of the Japanese Financial System)* translated by Satoshi Koibuchi, published from Nihon Keizai Shimbun-sha, 2006.)

Crisis and Change in the Japanese Financial System. (Co-edited with Hugh Patrick) Boston, MA; Kluwer Academic Publishers, 2000.

2. Academic Papers

“Will the U.S. and Europe Avoid a Lost Decade? Lessons from Japan’s Post Crisis Experience” (Joint with Anil K Kashyap), *IMF Economic Review*, 63 (1), 110-163, 2015.

“Japan’s Financial Regulatory Responses to the Global Financial Crisis” (Joint with Kimie Harada, Masami Imai, Satoshi Koibuchi, and Ayako Yasuda), *Journal of Financial Economic Policy*, 7 (1), 51-67. 2015.

“Defying Gravity: Can Japanese sovereign debt continue to increase without a crisis?” (Joint with Takatoshi Ito) *Economic Policy*, January 2014, 5-44.

“Is the Sky the Limit? Can Japanese Government Bonds Continue to Defy Gravity?” (Joint with Takatoshi Ito) *Asian Economic Policy Review*, 8:2, 218-247, December 2013.

“Role of Central Banks in Financial Stability: Lessons from the Experience of the Bank of Japan,” in Douglas D Evanoff, Cornelia Holthausen, George G Kaufman, and Manfred Kremer (Eds.) *The Role of Central Banks in Financial Stability: How Has It Changed?*, World Scientific Publishing, 2013.

“Japanese Government Debt and Sustainability of Fiscal Policy,” (Joint with Takero Doi and Tatsuyoshi Okimoto) *Journal of the Japanese and International Economies*, 25:4, 414-433, December 2011.

“Japan in the Global Financial Crisis,” (Joint with Kimie Harada, Kaoru Hosono, Satoshi Koibuchi, and Masaya Sakuragawa) in Robert Litan (Ed) *The World in Crisis: Insights from Six Shadow Financial Regulatory Committees from Around the World*, Philadelphia, PA: FIC Press, pp. 193-225, November 2011.

“Financial Regulation: Lessons from the Recent Financial Crises,” *Journal of Economic Literature*, 49:1, 120-128, March 2011.

“Corporate Restructuring in Japan during the Lost Decade” (Joint with Satoshi Koibuchi and Ulrike Schaeede) in Koichi Hamada, Anil Kashyap, and David Weinstein (Eds.) *Japan’s Bubble, Deflation and Long-term Stagnation*, Cambridge, MA: MIT Press, pp.343-373, January 2011.

“Will the U.S. Bank Recapitalization Succeed? Eight Lessons from Japan” (Joint with Anil Kashyap), *Journal of Financial Economics*, 97, 398-417, September 2010.

“Listing Policy and Development of the Tokyo Stock Exchange in the Pre-War Period” (Joint with Yasushi Hamao and Tetsuji Okazaki) in Takatoshi Ito and Andrew Rose (Eds.) *Financial Sector Development in the Pacific Rim*. Chicago, IL: University of Chicago Press, pp.51-87, 2009.

Takeo Hoshi (Continued)

- “Zombie Lending and Depressed Restructuring in Japan” (Joint with Ricardo Caballero and Anil Kashyap), *American Economic Review*, 98 (5), 1943-1977. December 2008.
- “Corporate Finance and Human Resource Management in Japan” (Joint with Masahiro Abe) in Masahiko Aoki, Gregory Jackson, and Hideaki Miyajima (Eds.) *Corporate Governance in Japan: Institutional Change and Organizational Diversity*. Oxford, UK: Oxford University Press, pp.257-281. August 2007.
- “Monetary Policy in the Great Stagnation” (Joint with Yoichi Arai) in Michael H. Hutchison and Frank Westermann (Eds.) *Japan’s Great Stagnation: Financial and Monetary Policy Lessons for Advanced Economies*. Cambridge, MA: MIT Press, pp.157-181. June 2006.
- “Economics of the Living Dead,” *The Japanese Economic Review*, 57:1, 30-49, March 2006.
- “Solutions to Japan’s Banking Problems: What Might Work and What Definitely Will Fail” (Joint with Anil Kashyap) in Hugh Patrick, Takatoshi Ito, and David Weinstein (Eds.) *Reviving Japan’s Economy: Problems and Prescriptions*. Cambridge, MA: MIT Press, pp.147-195, 2005.
- “Financial Regulation in Japan: A Sixth Year Review of the Financial Services Agency” (Joint with Takatoshi Ito), *Journal of Financial Stability*, 1:2, 229-243, December 2004.
- “Japan’s Financial Crisis and Economic Stagnation” (Joint with Anil Kashyap) *Journal of Economic Perspectives*, 18:1, 3-26, Winter 2004.
- “Paying for the FILP” (Joint with Takero Doi) in Magnus Blomström, Jennifer Corbett, Fumio Hayashi, and Anil Kashyap (Eds.) *Structural Impediments to Growth in Japan*. Chicago, IL: University of Chicago Press, pp.37-69, 2003.
- “The Convoy System for Insolvent Banks: How It Originally Worked and Why It Failed in the 1990s,” *Japan and the World Economy*, 14:2, 155-180, April 2002.
- “What Happened to Japanese Banks?” *Monetary and Economic Studies*, 1-29, 2001.
- “The Japanese Banking Crisis: Where did it come from and how will it end?” (Joint with Anil Kashyap), *NBER Macroeconomics Annual 1999*, pp.129-201, 2000.
- “Bank-Owned Security Subsidiaries in Japan: Evidence after the 1993 Financial System Reform,” (Joint with Yasushi Hamao) in Masahiko Aoki and Gary R. Saxonhouse (Eds.) *Finance, Governance, and Competitiveness in Japan*. Oxford, UK; Oxford University Press, pp.105-117, 2000.
- “The Main Bank System and Corporate Investment: Further Robustness Tests,” in Masahiko Aoki and Gary R. Saxonhouse (Eds.) *Finance, Governance, and Competitiveness in Japan*. Oxford, UK; Oxford University Press, pp.99-104, 2000.

Takeo Hoshi (Continued)

- “The Japanese Financial System: An Introductory Overview,” in Takeo Hoshi and Hugh Patrick (Eds.) *Crisis and Change in the Japanese Financial System*. Boston, MA; Kluwer Academic Publishers, pp.1-33, 2000.
- “Japanese Corporate Governance as a System,” in Klaus J. Hopt, Hideki Kanda, Mark J. Roe, Eddy Wymeersch, and Stefan Prigge (Eds.) *Comparative Corporate Governance: The State of the Art and Emerging Research*. Oxford, UK; Oxford University Press, pp.847-875, 1998.
- “Benefits and Costs of Japanese System of Corporate Governance,” *Global Economic Review*, 26, 77-95, 1997.
- “The Impact of Financial Deregulation on Corporate Financing,” in Paul Sheard (ed.) *Japanese Firms, Finance and Markets*. Melbourne, Australia; Addison-Wesley, pp.222-248, 1996.
- “Heterogeneous Beliefs, Wealth Accumulation, and Asset Price Dynamics” (Joint with Antonio Cabrales), *Journal of Economic Dynamics and Control*, 20, 1073-1100, 1996.
- “Back to the Future: Universal Banking in Japan” in Anthony Saunders and Ingo Walter (eds.) *Universal Banking: Financial System Design Reconsidered*. pp,205-244. Chicago, IL; Irwin, 1996.
- “Cleaning Up the Balance Sheets: Japanese Experience in the Post-War Reconstruction Period” in Masahiko Aoki and Hyung-Ki Kim (eds.) *Corporate Governance in Transitional Economies: Insider Control and the Role of Banks*. pp.303-359. Washington, DC; The World Bank, 1995.
- “Lessons from the Japanese Main Bank System for Financial System Reform in Poland” (Joint with Anil Kashyap and Gary Loveman) in Masahiko Aoki and Hugh Patrick (eds.) *The Japanese Main Bank System: Its Relevance for Developing and Transforming Economies*. pp.592-633. Oxford, UK; Oxford University Press, 1994.
- “Evolution of the Main Bank System in Japan” in Mitsuaki Okabe (ed) *The Structure of the Japanese Economy*. pp.287-322. London, UK; Macmillan, 1994.
- “The Economic Role of Corporate Grouping and the Main Bank System” in Masahiko Aoki and Ronald Dore (eds.) *The Japanese Firm: The Sources of Competitive Strength*. pp.285-309. Oxford, UK; Oxford University Press, 1994.
- “Japanese Corporate Investment and Bank of Japan Guidance of Commercial Bank Lending” (Joint with David Scharfstein and Kenneth Singleton). in Kenneth Singleton (ed.) *Japanese Monetary Policy*. pp.63-94. Chicago, IL; University of Chicago Press, 1993.
- “Corporate Structure, Liquidity, and Investment: Evidence from Japanese Industrial Groups” (Joint with Anil Kashyap and David Scharfstein), *Quarterly Journal of Economics*, 106, 33-60, February 1991.

Takeo Hoshi (Continued)

“Evidence on q and Investment for Japanese Firms” (Joint with Anil Kashyap), *Journal of the Japanese and International Economies*, 4, 371-400, December 1990.

“The Role of Banks in Reducing the Costs of Financial Distress in Japan.” (Joint with Anil Kashyap and David Scharfstein), *Journal of Financial Economics*, 27, 67-88, September 1990.

“Bank Monitoring and Investment: Evidence from the Changing Structure of Japanese Corporate Banking Relationships.” (Joint with Anil Kashyap and David Scharfstein) in Glenn Hubbard (ed.) *Asymmetric Information, Corporate Finance, and Investment*. Chicago, IL; Chicago University Press, pp.105-126, 1990.

“Stock Market Rationality and Price Volatility: Tests Using Japanese Data,” *Journal of the Japanese and International Economies*, 1, 441-462, December 1987.

“A Test of Stock Price Volatility: The Case of Japan,” *Japan Financial Review*, 5, pp.1-18, August 1986.

3. Policy Reports

“Can Abenomics Restore Japan’s Growth?” *Nomura Foundation Macroeconomy Proceedings*, Issue No. 9, January 2014.

Updated version of the following two reports was published as a book in Japanese. *Nani ga Nihon no Keizai Seichō wo Tometanoka? Saisei he no Shohōsen. (What Stopped Japan’s Growth? Prescriptions for Revival)*. Nihon Keizai Shimbun Shuppan-sha, 2013.

Policy Options for Japan’s Revival (Joint with Anil Kashyap), National Institute for Research Advancement, June 2012.

Why Did Japan Stop Growing? (Joint with Anil Kashyap), National Institute for Research Advancement, January 2011.

4. Book Reviews and Comments

Book Review of W. Miles Fletcher III and Peter W. von Staden (Eds.) *Japan’s “Lost Decade”: Causes, Legacies, and Issues of Transformative Change*. Routledge, London, 2013. In *The Journal of Japanese Studies*, 41:2, 458-461, 2015.

Commentary “Financial Regulation after the Crisis: How Did We Get Here, and How Do We Get Out?” Reuven Glick and Mark M. Spiegel (eds.) *Prospects for Asia and the Global Economy*. San Francisco, CA: Federal Reserve Bank of San Francisco, pp.321-326, 2014.

Book Review of W.R. Garside. *Japan’s Great Stagnation: Forging Ahead, Falling Behind*. Elgar, 2012. In *Journal of Economic Literature*, June 2013.

Book Review of Yoshiro Miwa and Mark Ramseyer. *The Fable of the Keiretsu: Urban Legends of the Japanese Economy*. University of Chicago Press, 2006. In *Social Science Japan Journal*, 11:2, 2008.

“Avoiding the Deflation Trap: Three Lessons from Japan,” *Central Banking*, 18(4), 51-54, May 2008.

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Book Review of Sanford M. Jacoby. *The Embedded Corporation: Corporate Governance and Employment Relations in Japan and the United States*. Princeton University Press, 2005. In *Business History Review*, Summer 2007.

Comment on Keiko Murata and Masahiro Hori “Do Small Depositors Exit from Bad Banks? Evidence from Small Financial Institutions in Japan,” *The Japanese Economic Review*, 57(2), 279-281, June 2006.

Book Review of Thomas F. Cargill, Michael M. Hutchison, and Takatoshi Ito. *Financial Policy and Central Banking in Japan*. MIT Press, 2000. In *Journal of Economic Literature*, 41, 223-225, March 2003.

“Different Countries, Similar Experience” in William C. Hunter, George G. Kaufman, and Michael Pomerleano (eds.) *Asset Price Bubbles: The Implications for Monetary, Regulatory, and International Policies*. MIT Press, 2003, pp.163-164.

Book Review of Franklin Allen and Douglas Gale. *Comparing Financial Systems*. MIT Press, 2000. In *Journal of Economic Literature*, 40, 938-939, September 2002.

Book Review of Junji Banno (ed) *The Political Economy of Japanese Society: Volume 2. Internationalization and Domestic Issues*. Oxford University Press, 1998. In *Journal of Economic Literature*, 38, 134-135, March 2000.

“Financial Modernization and Regulation: Experience from Japan,” *Journal of Financial Services Research*, 16, 305-307, 1999.

Book Review of Junji Banno (ed) *The Political Economy of Japanese Society: Volume 1. The State or the Market*. Oxford University Press, 1998. In *Journal of Economic Literature*, 37, 202-204, March 1999.

Book Review of Michael Gerlach, *Alliance Capitalism: The Social Organization of Japanese Business*, University of California Press, 1992. In *Journal of the Japanese and International Economies*, 8, 114-117, March 1994.

Comment on Jeffry Frieden, “Domestic Politics and Regional Cooperation: The United States, Japan, and Pacific Money and Finance” in Jeffrey Frankel and Miles Kahler (eds.) *Regionalism and Rivalry: Japan and the U.S. in Pacific Asia*, pp.444-447. Chicago, IL: The University of Chicago Press, 1993.

5. Academic Publications in Japanese

“Seido Henkaku no Keiki toshiteno Kin’yū Kiki” (Financial Crisis as a Catalyst for Institutional Change), *The Keizai Seminar*, No. 647, pp.59-64, April, 2009.

“Zombie no Keizaigaku” (Economics of Zombies) in Yasushi Iwamoto, Makoto Ohta, Koichi Futagami, Akihiko Matsui (Eds.) *Gendai Keizaigakuno Chōryū 2006 (Trends of Modern Economics 2006)*. Tokyo, Japan: Toyo Keizai Shimpō-sha, 2006, pp.41-68.

“Keiretsu Kin’yū no Keizaigaku” (Economics of Keiretsu Financing) in Hiroyuki Itami, Takahiro Fujimoto, Tetsuji Okazaki, Hideshi Itoh, and Tsuyoshi Numagami (Eds.) *Nihon no Kigyō System: Dai 2-kan, Kigyō to Governance (Japanese Corporate*

Takeo Hoshi (Continued)

System: Volume 2 Corporations and Governance). Tokyo, Japan: Yuhikaku, 2005, pp.90-121.

“Senzen Nihon ni okeru Shihon Shijō no Seisei to Hatten” (The Genesis and the Development of the Pre-War Japanese Stock Market) (Joint with Tetsuji Okazaki and Yasushi Hamao) *Keizai Kenkyu (The Economic Review)*, 56 (January 2005), 15-29.

“Nihon-gata Corporate Governance” (Japanese Corporate Governance) *Keizai Kenkyu (The Economic Review)*, 53 (October 2002), 289-304.

“1980-nendai no Ginkō Keiei: Senryaku, Soshiki, Governance” (Bank Management in the 1980s: Strategy, Organization, and Governance) (Joint with Tetsuji Okazaki) in Michio Muramatsu and Masahiro Okuno (Eds.) *Heisei Bubble no Kenkyū: Bubble no Hassei to sono Haikei Kōzō (Research on Heisei Bubble: Emergence of the Bubble and its Background Structure)*. Tokyo, Japan; Tōyō Keizai Shimpo-sha, 2002, pp.313-358.

“Naze Nihon ha Ryūdōsei no Wana kara Nogarerarenainoka” (Why Japan Cannot Get Out of the Liquidity Trap) in Mitsuhiro Fukao and Hiroshi Yoshikawa (Eds.) *Zero Kinri to Nihon Keizai (Zero Interest Rate and the Japanese Economy)*. Tokyo, Japan; Nihon Keizai Shimbun-sha, 2000, pp.233-266.

“Kin’yū Seisaku to Ginkō Kōdō” (Monetary Policy and Bank Behavior) in Shin’ichi Fukuda, Akiyoshi Horiuchi, Kazumasa Iwata (Eds.) *Macro Keizai to Kin’yū System (Macroeconomy and Financial System)*. Tokyo, Japan; University of Tokyo Press, 2000, pp.23-56.

“Shihon Shijō no Fukanzensei to Kin’yū Seisaku no Hakyū Keiro: Saikin no Kenkyū Seika no Tenbō,” (Capital Market Imperfection and Transmission Mechanism of Monetary Policy: Survey of Recent Research) *Kin’yū Kenkyū*, 16, 105-136, March 1997.

“Sengo Nihon no Kin’yū Kikan to Kigyō no Saiken Seibi,” (Reconstruction and Reorganization of Financial Institutions and Firms in the Post-war Japan) *Keizai Kenkyū*, 46, 31-42, January 1995.

“Kigyō Grūpu Kessokudo no Bunseki (Analysis of Coherence of Firm Groups)” (Joint with Takatoshi Ito) in Akiyoshi Horiuchi and Naoyuki Yoshino (eds.) *Gendai Nihon no Kin-yū Bunseki (Financial Analysis of Contemporary Japan)*. Tokyo, Japan; University of Tokyo Press, 1992, pp.73-96.

Teaching Experience

Innovation Policy in Japan for Master (2015)

Japanese Economy for Master (1989-2012)

Financial Institutions for Master (2011-2012)

Japanese Economy for undergraduate (1990-2012)

International Economics for Master (2006-2009)

Macroeconomic Policy for Master (1989-2009)

Japanese Financial System for Master (1994-2001)

Takeo Hoshi (Continued)

Managerial Economics for Master (1990-1991, 2000)
International Business Simulation for Master (2001)
Macroeconomics for Ph.D. (1989-1995)
Japanese Main Bank System for undergraduate (in Japanese). (1997)
Monetary Economics for Ph.D. (in Japanese) (1997)
Financial Crises for Ph.D. (in Japanese) (2009)

Professional Memberships

The American Economic Association, 1988-present.
The Nippon Finance Association, 1997-present.
The Japan Economic Association, 2002-present.
The Association for Asian Studies, 2013-present.

Services

Profession

Reviewed articles for the following journals, 1983-present:

American Economic Review; Bank of Japan Monetary and Economic Studies; Contemporary Policy Issues; Economic Inquiry; Economic Journal; Financial Management; International Economic Review; International Organization; International Review of Financial Analysis; Japan and the World Economy; Japanese Economic Review; Japan Financial Review; Japanese Journal of Political Science; Journal of Banking and Finance; Journal of Business; Journal of East Asian Studies; Journal of Economic Dynamics and Control; Journal of Economics and Management Strategy; Journal of Economic Literature; Journal of Finance; Journal of Financial Economics; Journal of Financial Intermediation; Journal of Financial Services Research; Journal of Industrial Economics; Journal of International Financial Management and Accounting; Journal of International Money and Finance; Journal of the Japanese and International Economies; Journal of Law, Economics, and Organization; Journal of Macroeconomics; Journal of Monetary Economics; Journal of Money, Credit, and Banking; Journal of Political Economy; Journal of Public Economics; Keizai Kenkyu; Pacific Economic Papers; Quarterly Journal of Economics; Review of Economic Studies; Review of Economics and Statistics; Review of Financial Studies

Reviewed articles for the Western Finance Association, 1993.

Reviewed manuscripts for the following publishers, 1991-present:

MIT Press
Oxford University Press
Cambridge University Press
Harper Collins College Publishers
World Scientific Publishing Co., Inc.
Worth Publishers

Reviewed grant proposals for National Science Foundation, Sloan Foundation.

Stanford University

Director of Japan Program at Shorenstein Asia Pacific Research Center, 2012 – Present.

Takeo Hoshi (Continued)

University of California, San Diego

Academic Senate Committee on Committees, 2011-2012.

IR/PS 20th Anniversary Planning Committee (Chair), 2007-2008.

Acting Dean, IR/PS, 2006, 2009.

Associate Dean, IR/PS, 2003-2005.

Director, Japanese Studies Program, 1998-2001.

MPIA Admission Committee, 1988-1997, 1998-2000, 2001-2003, 2004-2006, 2007-2008, 2009-2010 (Chair).

Director, the International Career Associates Program, 1994-1996.

Students Expansion Committee (Chair), 1995-1996.

MPIA Curriculum Committee, 1988-1991, 2002-2005.

Social Science Computing Committee, 1988-1991.

Updated: June 2015.