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Editorial

I hope you all had a productive summer. The current issue features the following: Ian Coxhead provides a wholesome recap of the JADE Conference held in April 2024. I look forward to the continued progress of JADE in 2025. Yusuke Kuroishi provides a literature review on quality upgrading in developing countries and introduces his fascinating research on the role of trademarks for Chinese exporters in the African tire industry. This is a good example of carefully designed empirical work on important but less-studied topics. Keitaro Aoyagi discusses the promise of collaboration between practitioners and researchers in the field of development economics. Based on his unique experience and capacity at JICA and as a development consulting firm, he offers useful perspectives and practical suggestions for advancing research among JADE members. This will be the final letter delivered under my editorship. I appreciate the great contributions, support, and encouragement from JADE members. I hope that JADE Letters will thrive under the new editorship. Enjoy reading!

Yoshito Takasaki, Editor, JADE Letter

Report on JADE 6th Annual Conference

Ian Coxhead

Inter-disciplinary Studies Center Senior Research Fellow, IDE-JETRO

The 6th annual JADE Conference (formerly the Hayami Conference) was held on April 13-14, 2024. This year's meeting was co-sponsored by the Institute of Developing Economies (IDE-JETRO) and took place at the JETRO headquarters in Roppongi, Tokyo. A total of 44 papers were submitted to the

conference, of which 18 were selected for presentation. In addition, we heard a keynote address from Prof. Asadul Islam (Monash University) and a presidential address from Prof. Keijiro Otsuka. The conference, held in person, was attended by 101 participants. Details of the programme, including the papers presented, can be found on the conference website.

A highlight of the annual JADE conference is the conferring of two awards for distinguished research contributions. The Fuwa Award, named in honor of the late Prof. Nobuhiko Fuwa, was presented to Dr. Momoe Makino (IDE-JETRO) for her work on issues of female labor force participation and human capital accumulation in South Asia. In Dr. Makino's own words, "I am deeply honored to receive the prestigious Fuwa Award from JADE. During my twenties, I had several opportunities to meet him at seminars and workshops at IDE. He once said, 'I don't have any special talent. That's why I immerse myself in the field, striving to understand the local people more deeply than outsiders'. Inspired by his humble attitude, I strived to emulate his approach. Therefore, receiving an award named for Prof. Fuwa is a tremendous privilege. I express heartfelt gratitude to my mentors, colleagues, co-authors, local research collaborators, and my family and friends, who supported me throughout my research journey."

The Hayami Award, named in honor of Japan's preeminent development economist Yujiro Hayami, is presented to a researcher at a Japanese institution who is 40 years of age or younger and whose paper is presented at the JADE conference. This award went to Mr. Tomoaki Tanaka of Queen Mary University of London, University of Tokyo and JICA for his paper "Extensive and intensive margins of informal workers' public pension demand: Evidence from a Mongolian pension reform." Mr. Tanaka writes, "I am honored to receive the Hayami Award at the JADE Conference. I launched this research project when I lived in Mongolia while working with JICA. During my visits to nomadic people in rural areas, many expressed a desire to receive pensions in the future, but mentioned difficulty in paying contributions. Relaxing pension generosity is attractive for recipients but worsens pension sustainability. Studying the relationship between the price and demand for pensions is insightful for both academia and public policy; however, the literature is limited. This motivated me to conduct my research. I received kind cooperation and valuable advice from several people, including my supervisors at Queen Mary University of London. I am also grateful to FASID for their support through its Scholarship Program for PhD students. Finally, I extend my deep gratitude to the JADE Conference Committee. Since the beginning of my research, I have aimed to present it at the JADE conference, making this award particularly meaningful to me. This prestigious award inspired me to continue my research with even greater dedication in the future."

The organizing committee comprised Takeshi Aida (Hitotsubashi U), Ian Coxhead (IDE-JETRO, Chair), Yuya Kudo (IDE-JETRO), Momoe Makino (IDE-JETRO), and Masaru Nagashima (IDE-JETRO). The committee expresses its gratitude to all conference speakers and participants, the JADE

Board and its president, Prof. Keijiro Otsuka, for their encouragement and guidance, and the Sawada Lab at U. Tokyo for financial support for travel and expenses of the keynote speaker.



The sixth JADE Conference was held at the JETRO headquarters in Roppongi, Tokyo, on April 13-14, 2024



The fourth Hayami Award was awarded to Mr. Tomoaki Tanaka



Prof. Keiji Otsuka delivered the presidential address.



The third Fuwa Award was awarded to Dr. Momoe Makino

Quality-Upgrading in Developing Countries

Yusuke Kuroishi

Assistant Professor, Hitotsubashi University

Introduction

While extensive studies have garnered insights into the factors driving technology adoption and product innovation among firms, relatively little attention has been paid to the determinants of quality upgrades. Quality upgrading generates dynamic gains and fosters development based on the following mechanism: access to high-quality inputs enables firms to increase their productivity by expanding their product scope, producing high-quality outputs, and meeting the required standard for export. This chapter provides a concise overview of recent firm-level research on quality upgrading to shed light on this underexplored area. The first part of this chapter discusses methodologies for measuring quality, while the second part presents recent empirical evidence on policy interventions designed to promote quality upgrading in developing countries.

Measurement of Quality

Existing literature has employed three main approaches to infer quality: a theory-reliant approach, which uses a demand specification to construct explicit measures of quality; a reduced-form approach, which leverages input prices to derive indirect inferences on quality; and a direct approach, which used information on observable product quality.

In the first approach, Khandelwal et al. (2013) uses trade transaction data on Chinese firms' exports to construct quality measures at the firm-product level. Their methodology specifies the demand function and develops an empirical specification, interpreting the residual as a measure of quality at the firm's product-destination level. This method is similar to the methods used by Hallak and Schott (2011) to recover quality at a higher level of aggregation. Variants of this method have been proposed by Bas and Strauss-Kahn (2015), Fan et al. (2018) and Bloom et al. (2021). Although this method has proven useful, it requires several non-innocuous assumptions. This method depends on the assumption that the demand function is characterized by a constant elasticity of substitution with a particular value.

The second approach uses input prices based on reduced-form relationships between prices and other observables, without explicit functional-form assumptions. This approach is motivated by the following influential studies, Kugler and Verhoogen (2012), Manova and Zhang (2012), and Demir et al. (2023). Kugler and Verhoogen (2012), using Colombian manufacturing census data on output and input prices, document the following stylized facts: larger plants charge higher prices for their outputs and pay more for material inputs. These facts suggest that high-quality output requires high-quality inputs. Manova and Zhang (2012) demonstrates that firms that export more and charge higher export prices also pay higher prices for imported inputs. Similarly, Demir et al. (2023) finds that larger, higher-

wage Turkish firms purchase goods from higher-wage suppliers compared to smaller, lower-wage firms. Yet, it is important to note a significant caveat: there is a possibility that exogenous shocks to input prices could generate a positive correlation between input and output prices, even in the absence of quality upgrading.

The third approach takes advantage of the directly observable information on quality. Such direct measures have been applied to various products including wine (Crozed et al., 2012), rugs (Atkin, et al., 2017), daily products (Bai et al., 2022), watermelons (Bai, 2024), soccer balls (Atkin et al., 2015) and coffee (Macchiavello and Morjaira, 2021). Verhoogen (2008) employed ISO 9000 certification, an international production standard, as a proxy for quality. Although this approach is intuitive and enables drawing direct inferences regarding quality upgrades, its applicability is limited to certain industries.

Policy Intervention

Although importing high-quality products plays a central role in economic development (Goldberg et al., 2010), sourcing high-quality products in developing countries is challenging. Firms often struggle to credibly signal product quality under imperfect contract enforcement and asymmetric information settings, which limit their incentives to invest in quality improvement. Sellers and buyers have sought informal mechanisms and market-oriented behaviors to mitigate this problem (Macchiavello and Morjaira, 2015, and Bai, 2021). Policymakers are interested in how to best complement these informal institutions by building and improving their institutional contexts to address these problems.

A trademark is regarded as a crucial policy tool that represents the intellectual property right to identify the products of a particular firm. Using trademarks, buyers can distinguish between their own goods and those of others. Consequently, sellers can brand their products using these trademarks. Thus, while a trademark is not a certificate of provided quality per se, in settings where buyers are unable to observe intrinsic product characteristics at the point of purchase, sellers can convey credible signals of their reputation and reliability to buyers.

However, the consequences of introducing trademarks are theoretically mixed. One possibility is that trademark users might upgrade the quality of their products if a trademark conveys signals regarding its reputation as a signaling device (Grossman and Shapiro, 1988). An alternative possibility is that a trademark could lead to shifts in the market structure that impede the entry of new competitors, which allows certain firms to increase their market power and perhaps also reduces the quality of trademark users and non-users owing to changes in competition (Grossman and Shapiro, 1988, Aghion et al., 2005 and Amiti and Khandelwal, 2013). Owing to these different mechanisms, empirical findings are key to understanding the welfare implications of trademarks.

Identifying the role of trademarks is the key to public policy; however, empirical evidence on this question is scarce because of several distinct challenges. First, the institutional settings for trademarks are endogenously determined. Second, the role of trademarks requires transaction-level data combined with information on which products are traded. Third, within-firm variations in trademark usage are rarely observed, making it challenging to isolate its effect from those of other firm-specific factors. Fourth, quality information is rarely observable in typical firm-level data or customs trade statistics.

Kuroishi (2024) studies the extent to which a trademark improves market efficiency and welfare. This study addresses these challenges by examining the role of trademarks among Chinese tire exporters in the African tire industry. This context presents several features that allow for analysis. Seventeen African countries joined the international system in 2015 to facilitate the registration of trademarks. Second, Chinese exporters of the tire industry serve their products across diverse African countries. This allowed us to investigate how the exports of the same firm, with and without a trademark, differ. Third, information friction is salient in international markets where sellers and buyers originate from different countries. In addition, the tire industry is characterized by a high demand for trademarks. According to Nelson (1970), when consumers lack complete information about quality, they seek information primarily in two ways, classifying consumer goods as "search goods" or "experience goods." In the first case, consumers gather information through searches before making a purchase. Conversely, in the second case, when the search procedure is either expensive or inappropriate, consumers obtain information through experience instead of searching. In these two categories, tires are classified as "experienced goods." Considering the pivotal role played by trademarks in mitigating information asymmetry regarding product attributes, there is an anticipated high demand for trademarks, especially for experience goods, where information asymmetry is serious. Thus, it is appropriate to analyze the role of trademarks. Fourth, information on the tires was directly accessible. In particular, the tire ply rating plays a pivotal role as a key indicator of the strength and capacity of a tire. A higher ply rating on the scale denotes enhanced stability, the ability to withstand heavier loads, and increased durability. Consequently, tires with higher ply ratings exhibit longer tread lives and superior resistance to puncture and wear. Thus, this information is useful for identifying whether exporters upgrade or downgrade their products using trademarks.

This study contributes to the IPR literature on intellectual property rights, specifically on trademarks. While much of the literature has examined intellectual property rights both theoretically and empirically (Grossman and Shapiro, 1988, Grossman and Shapiro, 1988, Helpman, 1993, Branstetter et al., 2006, Chaudhuri et al., 2006, Moser, 2013, Fang et al., 2017 and Heath and Mace, 2020), empirical evidence on trademarks is limited. This study bridges this gap in the existing literature by offering additional empirical findings on how a trademark works in emerging markets. Among the current existing empirical literature, Qian (2008) and Alfaro et al. (2024) are most closely related to the current study as both provide empirical evidence on trademarks. Qian (2008) investigates how

markets function with less government intellectual property rights enforcement, and Alfaro et al. (2024) examines how trademark institutions affect firm growth, market allocation, and consumer welfare. By contrast, I investigate the interplay between quality and trademarks and their consequential impact on welfare within the context of global markets.

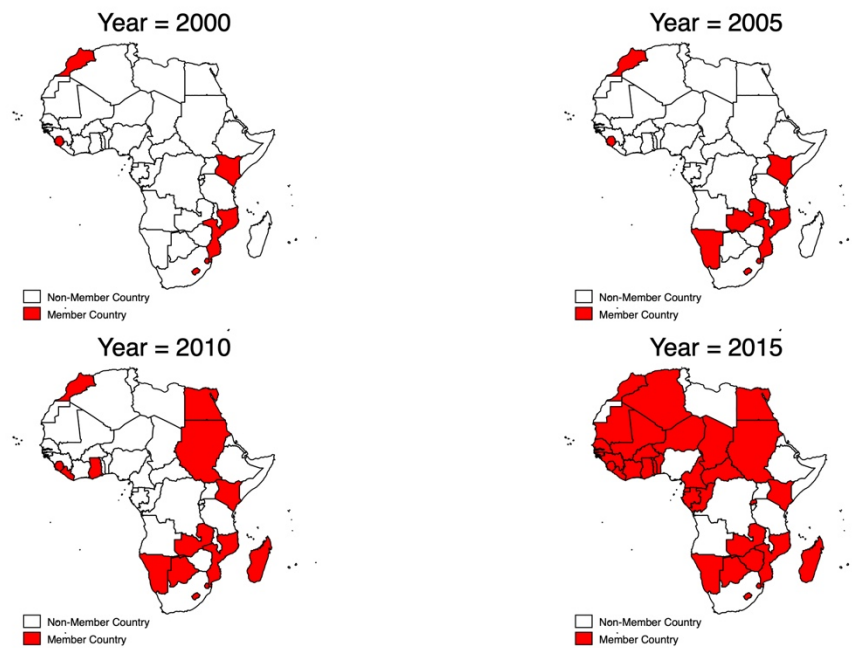
The empirical setting is the African tire market and focuses on the periods before and after 17 countries unexpectedly joined the international system to facilitate trademark registration in 2015. With over 90% of the total exports originating from firms exporting to both adopting and non-adopting countries, this study uses a Difference-in-Differences (DID) design. This method allows for a comparison of each exporter's transactions between newly adopted countries and other countries before and after the implementation came into effect.

This study offers three important findings. First, on an average, a Chinese exporter exports higher-quality tires using a trademark. Second, Chinese exporters have fewer entries and more exits from the market, and the effect on exits varies across exporters based on their market shares. Third, the heterogeneous impacts on Chinese exporters owing to their market share were identified. While a Chinese exporter with a market share below the median provides upgraded products, it decreases its market share. In contrast, a Chinese exporter with a market share above the median increases its share by offering even further upgraded products. These results, when considered together, suggest a reallocation of the total market share to exporters with a higher market share, offering further upgraded products with a trademark in ratifying countries.

Moreover, this study provides empirical insights into the net welfare gains in Africa resulting from the tire industry. In particular, a back-of-the-envelope calculation implies that the tire industry contributes to welfare increases in ratifying countries. This welfare gain is primarily caused by Chinese exporters' quality upgrading and comes from two gains, both at the extensive and intensive margins. Thus, this study concludes that trademarks are welfare-enhancing technologies.

These results and their interpretations have significant policy implications. If a firm signals its quality with a trademark, it must subsidize the application fee. Strategic intervention aimed at decreasing the cost of trademark applications may be an effective means of enhancing welfare, particularly in markets where no other methods, such as long-term relationships, are feasible.

Figure



This figure plots the member countries that joined the international system for facilitating the registration of trademarks in 2000, 2005, 2010, and 2015, respectively. Red-colored countries are member countries while white colored countries are non-member countries.

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An Encouragement of International Development Consulting

Keitaro AOYGI

Metrics Work Consultants Inc.

1. Introduction

In recent years, there has been a growing interest in the practical application of economics to society¹, as seen in the proliferation of books that discuss the usefulness of economics in business and the establishment of companies dedicated to social implementation. This trend is also evident in the field of international development, where several development economists aim to influence development policies to improve welfare in developing countries. In this context, it is implied that the collaboration between Japan International Cooperation Agency (JICA) and researchers becomes crucial.

For researchers affiliated with universities and research institutions, there are several significant advantages to collaborating with JICA to advance the practical application of development economics. First, there is the appeal of partnering with JICA to conduct intervention studies (field experiments) using randomized controlled trial (RCT). Considering the scale of implementation and involvement of the host government, the opportunity to conduct RCT on interventions that can only be implemented by a public development aid agency is particularly attractive. Although this interest has partially stabilized currently compared with the previous years, the evaluation of intervention effectiveness remains a crucial research topic, and RCT continue to be a favorable research design.

The second advantage is access to the internal data held by JICA. As an international development cooperation organization, the JICA accumulates a wide variety of operational data through its daily activities. For example, this includes bid prices and estimated costs for public procurement related to infrastructure construction as well as application documents from government officials applying to study in Japan. Additionally, participant information was obtained from programs conducted as part of technical cooperation projects, such as teacher training or business management training (Kaizen Training). Accessing this type of information from outside often requires formal requests for information disclosure. However, this is a time-consuming process with no guarantee of approvals. Collaborating with JICA would significantly increase opportunities to access such data².

Given the potential access to such fields and data, it is obvious that there are research insights that could only be generated through collaboration with JICA. However, in practice, even if development economists wish to pursue their desired research through such collaboration, they are unlikely to proceed smoothly. There have been several discussions on the challenges of collaboration between

¹ Following Kurosaki and Sonobe (2024), we define the "practical application" as applying empirical social sciences for social betterment.

² A notable example of empirical analysis using bid prices in public procurement under Japan's yen loans is a series of studies by Atsushi Iimi.

researchers and practitioners, noting that the two often have different objectives and incentives, which make cooperation difficult. The relationship between researchers and JICA is no exception to this. Hence, how can we bridge the gap that exists between researchers and JICA to achieve collaborations meaningful to both parties? The following sections present my thoughts on this topic.

2. Barriers to Collaboration

As a starting point for considering collaboration, I would first like to clarify that what I believe constitutes "research that resonates with practitioners." This can also be understood as the research that practitioners expect to be relevant. Specifically, this refers to research that can provide valuable information for practitioners to make decisions that affect the welfare of people in developing countries³. A clear example of this is the impact evaluation⁴. For instance, an evaluation research examining the types of interventions that are most effective in increasing prenatal care rates in a specific region is a typical case. Another example could involve determining whether cash transfers alone are sufficient, or whether they should be supplemented with household financial management training to assess whether the components of an intervention program are appropriately designed.

Next, I focus on how research collaborations between researchers and JICA are initiated, and consider the obstacles that might arise in the process. In reality, various factors can trigger such collaborations; however, broadly speaking, there are two main scenarios: researchers actively approach JICA with a proposal, or wait passively for an invitation from the JICA to collaborate⁵. In the former case, researchers often approach practitioners in departments related to their research topics. However, I have the impression that many proposals fail because they do not capture the interests of the practitioners involved. Even if researchers explain the research gap they wish to address, citing existing literature and emphasizing that JICA's projects field or data could help fill that gap, it is often challenging to gain cooperation if the research does not align with what I previously referred to as "research that resonates with practitioners." Additionally, even if the practical significance of the findings is emphasized, the viewpoints of practitioners who are more familiar with the realities on the ground often differ, making it challenging to garner their empathy and support⁶.

It is often said that when researchers approach practitioners, collaboration fails because they do not consider the needs of practitioners. However, particularly in the case of intervention studies, it can also

³ Research conducted with the expectation of positively validating past initiatives may resonate with practitioners, but since there is no decision-making involved, it does not the case here from the perspective of applying economics to real-world practice.

⁴ Here, I mention decision-making regarding problem-solving approach, but there are also other judgments to consider, such as understanding the current situation and causal structures, identifying factors of success and failure, and determining whether future predictions are correct or not.

⁵ Becoming a researcher at JICA Ogata Research Institute is an exception, so we will exclude that case. However, even if one were to become a researcher there, it is my impression that various challenges arise in establishing ideal collaboration with the operation departments.

⁶ In some cases, a researcher's proposal may be perceived as undermining the experience of the practitioners.

be argued that the poor timing of interactions between researchers and practitioners is another factor that hinders collaboration. Even consultants involved in project implementation often find it challenging to grasp the details of the types of projects JICA considers behind-the-scenes. This holds true for other researchers. When proposing an intervention study, the following response is often observed in case of unavailability of a suitable project, "There is no such opportunity at the moment," following which, the discussion is dismissed. On the other hand, even if researchers become aware of relevant project information, the details of the intervention are often already finalized, leaving no room to create the environment necessary for the intended intervention study. While one might think that, if the only issue is timing, there is still hope for collaboration when a suitable project emerges, this is not simple in reality. Even if the research topic is well-conceived and the researcher successfully communicates the value of the study to the relevant JICA practitioner, frequent personnel changes at JICA make it uncertain whether the possibility of collaboration will be passed on to their successors. Additionally, there may be cases where a more suitable project exists but the practitioner approached is unaware of it and is thus unable to make a connection.

What happens when researchers take a passive approach and wait for opportunities for collaboration to arise? In such cases, it is needless to say that practitioners must possess the ability to recognize the need for economic expertise. When we look at the whole process of development aid projects, practitioners are required to make various decisions. It is unrealistic to expect them to base their decisions on theoretical considerations or empirical evidence. Therefore, the key lies in whether practitioners can ask the right questions regarding the most critical issues. Moreover, unless the researcher is chosen as someone capable of providing valuable insights, a collaboration will not begin. Because it is not guaranteed that JICA personnel will be aware of the researcher's specific area of interest, the likelihood of an ideal match remains uncertain.

Unlike proactive approaches by researchers, in the case of passive collaboration opportunities, it is certain that the research topic will reflect the needs of the practitioners. However, one must be cautious about whether the issues of interest to the practitioners always constitute good research questions. While questions arising from the field often offer perspectives that researchers may have overlooked, it is also possible that these questions have already reached a consensus within the academic community. If a collaboration proposal is made based on such questions, researchers may find themselves at the starting point of a partnership but may hesitate to move forward with the project.

3. Seeking Opportunities for Collaboration that Contribute to Practice

Based on the obstacles to meaningful collaboration discussed in the previous section, I consider what researchers can do to realize partnerships that contribute to the practical application of economics. As a shortcut to collaboration with practitioners, I recommend that researchers first take on consulting work. The guiding principle of this approach is to "passively wait and actively propose."

Many of the research studies conducted by JICA are outsourced to consultants through public procurement. In some cases, research tasks are commissioned as standalone projects, whereas in other instances, research is part of a development assistance project. Recently, there have been cases where pilot projects incorporating randomized controlled trials (RCTs) are being implemented within technical cooperation projects. An example of standalone research in which I (or my colleagues) was involved as consultants is the retrospective impact evaluation of a study-abroad program to Japan. In this research project, we estimated the causal effects of studying in Japan by using information on applicants who passed or failed the final selection round. As an example of the latter type of project, we are currently planning an RCT to investigate the effectiveness of an employment support program for disadvantaged workers in Mongolia, as part of a technical cooperation project.

In all these cases, we were unaware that JICA was planning such projects until we came across the procurement information. In this sense, our approach to these projects was passive. Since public procurement is open to everyone, once information is obtained, there is no need to wait passively. While we understood from the procurement information that JICA had a need to evaluate the effectiveness of the study-abroad/employment support programs, the specific research questions and methods were not explicitly defined and were left to the consultants⁷. By refining the research questions and proactively proposing concrete research designs, we have been able to conduct collaborative studies that not only align with our own research interests but also contribute to JICA's decision-making process. Even if we have research questions related to employment support, approaching the relevant department directly is unlikely to lead to collaboration, as mentioned previously. However, proposals that address the indicated concerns, such as specific questions to be explored or the research design to be used, are often considered and moved forward even if they are unexpected by the project staff.

When thinking about collaboration with JICA, are we perhaps not assuming that our main partner is the JICA itself? However, once we consider participating in JICA projects as consultants, the direct point of contact for collaboration is not necessarily JICA, but rather international development consulting firms. Typically, in a technical cooperation project, a team of approximately 10 people is formed, and even for research projects, it is common for a small team to carry out the work. Even major consulting firms often do not have staff with specialized expertise in advanced statistical analysis or causal inference and thus frequently seek external collaborators. For researchers, joining such positions seems to be a much more feasible route than directly pursuing collaborative opportunities with JICA. Once researchers can demonstrate that economics produces relevant information from consulting work, the reputation within JICA is likely to grow, and direct collaboration with JICA may become easier to achieve in the future.

⁷ In some cases, both the methods and the research questions are already specified in detail. However, even in such cases, suggesting better ideas is not discouraged.

I have suggested that, by seeking collaboration opportunities as a consultant and making proposals within that context, it may be possible to overcome the obstacles that I previously pointed out. Does this idea appear appealing?

4. Establishment of Standardized Program Development Process

I have outlined the advantages of collaborating with JICA as a consultant. However, we ultimately have no choice but to wait passively for the right project to come along. Unless JICA commissions a research project with a good topic or a technical cooperation project that includes interesting research questions, collaboration cannot begin. When we focus on impact evaluation, as far as I know, there have not been many technical cooperation projects where RCTs were planned.

One reason for this scarcity, I believe, is the insufficient understanding within JICA regarding the role of impact evaluations. JICA has been promoting the dissemination of impact evaluations within the organization for approximately 15 years, primarily led by the Evaluation Department. The Evaluation Department is responsible for conducting both ex-ante and ex-post evaluations of the JICA's projects. Because impact evaluations have the term "evaluation," they naturally came to be regarded as the responsibility of the Evaluation Department. However, the primary role of the impact evaluation is to confirm whether the effectiveness of the devised models or programs has been successfully established. This process of establishing a model should not be handled by the Evaluation Department after the project's implementation but rather should be carried out by the operation departments as part of the project itself. In fact, several technical cooperation projects are structured such that the first half of the multiyear project period is devoted to designing and conducting pilot implementations of the program, whereas the latter half focuses on scaling up⁸. However, in JICA's model development process, it is rare to find steps in which the pilot implementation is assessed through impact evaluation. In other words, the essential process of developing effective programs, which would be the most straightforward entry point from the perspective of applying economics in practice, has not been standardized within JICA⁹.

If the mindset that impact evaluations should be used to assess the effectiveness of models within projects were to become more widespread, the number of projects incorporating such efforts would likely increase. This would, in turn, lead to more opportunities for collaboration, with impact evaluations serving as the entry point. It could also potentially accelerate the collaboration between researchers and practitioners. However, at present, no significant efforts have been made to develop this new mindset. I was involved with JICA's Evaluation Department for approximately 10 years as

⁸ There may be cases where Phase 1 involves a pilot implementation, followed by nationwide expansion in Phase 2.

⁹ In the past, Project Cycle Management (PCM) was widely adopted within JICA, and the procedures for project planning were covered in the "Planning and Design" manuals, becoming common knowledge among many JICA staff. However, PCM did not address the procedures for validating the effectiveness of models, and there seemed to be a lack of focus on establishing effective models even back then.

the only staff member specializing in impact evaluations. During that time, I consistently emphasized that impact evaluations should be conducted as part of the process in which operational departments develop effective development assistance models, particularly to test the effectiveness of pilot projects¹⁰. To promote this perspective, we also conducted training programs for development consultants over several years; however, these ended in 2019¹¹.

How can we promote the standardization of processes aimed at establishing effective models? I would like to offer a brief idea to stimulate discussions among JADE members. First, I hope that JADE can standardize its procedure and release it. In addition, JADE could consider an award program for good practices which followed these procedures, inviting applications from JICA staff and development consultants. A reference point could be the "Best Nudge Award," which is organized in collaboration between the Behavioral Economics Society and the Japan Nudge Unit (Behavioral Sciences Team), launched under the Ministry of the Environment's initiative. Each year, ministries, local governments, and other entities actively submit applications, and this has been instrumental in promoting the use of nudges in Japan. By showcasing highly regarded practices, we expect to boost the ideal processes at JICA to establish effective intervention models.

5. Concluding remarks

At Metrics Work Consultants Inc., where I serve as the representative, we are working to foster collaboration between researchers and practitioners by forming partnerships with individual researchers as affiliated researchers and by establishing collaboration agreements with universities. When we find projects in which collaboration with researchers is likely to add value, we reach out to the researchers to gauge their interest in participating as part of the consulting team. Winning consulting work in the public sector requires a certain level of experience and know-how, and once a project starts, a range of logistical tasks also arise. This makes it challenging for researchers to engage in consulting work. I believe that our partnership initiative helps reduce these barriers. For example, one of our projects evaluates the impact of introducing community policing systems on crime rates and perceived safety of residents in Guatemala. In this project, we collaborate with a criminology researcher affiliated with a university with which we have a partnership agreement. By handling communication and coordination with JICA, we allow the researcher to focus solely on the research aspects of the project. The opportunity to utilize detailed local crime statistics, which are not easily accessible, and to conduct large-scale surveys of both citizens and police officers makes this project

¹⁰ Technical cooperation projects that incorporate the idea of developing programs through empirical analysis have also emerged. Examples of projects in which I was involved in designing RCTs include the 3R Promotion Project in Mozambique (Completed), the Conditional Cash Transfer Project in Honduras (Completed), and the Weather Insurance Project in Bangladesh (Ongoing).

¹¹ I have been contributing a series titled "The Thinking Behind EBPM: Let's Try Randomized Controlled Trials!" to *Keizai Seminar* since 2019. Additionally, I currently teach a course titled "International Development Policy and Evaluation" at the Graduate School of Public Policy at the University of Tokyo. Both are based in part on training course conducted at JICA. Those interested are encouraged to explore these resources.

an attractive opportunity from a research standpoint as well.

In addition, we also collaborate with affiliated researchers to co-author papers using data that we independently collected and analyzed. Conducting research for practical purposes primarily aims to provide information that aids decision-making. It does not essentially aim to produce academic papers. As a result, even when we conduct RCTs, several projects are completed after the minimal necessary analyses. Because consultants must move on to the next project, there is often no time to organize the findings in relation to the existing literature or to thoroughly verify the robustness of the results at an academic level and publish them as a research paper. Sharing such underutilized data with researchers and publishing them could contribute to the practical application of economics¹². Researchers may hesitate to join a project at a later stage; however, for early career researchers and graduate students, this could provide a valuable opportunity to engage with practitioners and gain experience in collaborative work.

If you are interested, why not join us in working toward the practical application of economics?

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The author (the right) and Dr. Kurata at Sophia University (the left) during field visit in Bangladesh.

¹² One example is Matsuda et al. (2024)



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〒160-0004 東京都新宿区四谷2-11-8 オフィスコート四谷 4F

Email: info@metricswork.co.jp Tel: 03-6260-9926

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