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Effects of/Challenges Facing Monetary/Fiscal Policy in COVID-19 Era : Monitoring for inequalities and financial imbalances in broader economy and business restructuring reform at individual companies

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The COVID-19 crisis is causing serious capital erosion issues in the seven industries most affected by COVID-19 (land transport, retail, lodging, restaurants, lifestyle-related, amusement, and medical welfare; hereinafter, “the seven industries”). One major characteristic of this crisis is that decreases in asset prices have been limited compared to at the time of collapse of the bubble economy, which have prevented it from rippling out into the financial system. Meanwhile, there are concerns that a surge in asset prices will cause social issues including wider inequalities and, in turn, financial imbalances. In order to overcome the COVID-19 crisis, it will be essential to undertake not only reforms of the broader economy but also reforms that target individual companies and industries, including business restructuring, particularly in the seven industries. In COVID-19 exit strategies, the possibility of asset price instability when transitioning from easy money requires attention on the monetary front, and ensuring stability in the JGB market is important on the fiscal front.

ESG Investment post-COVID-19	<i>Mana Nakazora, CMA · CIIA</i>	21
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Sustainable finance, which has focused on climate change and SDGs, has been sharply accelerated by the global coronavirus crisis. Investors, companies, and countries are adjusting their activities in ways that are supporting this acceleration.

We will be closely monitoring the activities of investors, companies, and countries. In particular, we will focus on differences in stock and bond investments by investors and a comparison of foreign central bank investment strategies as we seek to analyze ESG investments as concretely as possible.

We will also seek to determine what will be needed to promote the expansion of the sustainable finance market.

Managing Japanese Firms during the COVID-19 Pandemic *Daisuke Miyakawa* 34

The COVID-19 pandemic has become the most important concern of Japanese firms. In this article, we summarize information as of November 2020 from the viewpoint of various discussions so that we can extract implications for the management of Japanese firms. We highlight the importance of flexible management systems such as work-from-home, collaborative management of the supply-chain network, and effective decision-making based on data. Given these discussions and recent business dynamics in Japan, we also present a short-term perspective regarding Japanese firms.

Working in a Post-COVID-19 World *Sachiko Kazekami* 45

An optimal number of teleworking hour results in an increase in labor productivity, but when teleworking hours are too long, labor productivity drops. Teleworking is more efficient for improving labor productivity if workers commute more than 1 hour or commute by train/bus that are usually very crowded during rush hours. Teleworking increases life satisfaction, and life satisfaction improves labor productivity. However, teleworking increases the stress of balancing work and domestic chores, contrary to expectations, and stress lowers life satisfaction. While we must consider the adverse effects of teleworking such as negative effect on innovation from a solitary working environment, unintentional interactions and an appropriate training system are required. Furthermore, in the eating/drinking area, firms that invested more in software pre-COVID-19 have been less damaged by the virus. Information technology must be possible to work remotely for some tasks in the service industry.

35th SAAJ Annual Conference: *Role of Corporations and Analysts in Confronting the Threat of Nature*

Corporate Transformation and Role of Analysts in New Normal with Increasing Uncertainty: To achieve both sustainable growth and response to risks such as climate changes and new coronaviruses

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In this study, we analyze text data of the “Business and other risks” section of annual reports using two different types of dictionaries and show that the probability of appearance of risk-related terms is positively correlated with the risk attaching to stocks. The results indicate that descriptions in the “Business and other risks” section are consistent with the risks reflected in stock pricing, but do not have significant explanatory power for time-series changes in stock risks. Thus, the section does not provide new information about time-series changes in stock risks.

Management Efficiency at Electrical Appliance/Precision Instrument Manufacturers: Using Data Envelopment Analysis (DEA)	<i>Hideto Muraki</i>	112
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The Japanese semiconductor industry held the leading status in the world economy in the 1980s. Meanwhile, at electrical appliance and precision instrument manufacturers after the 2000s, sales have fallen and growth is still low because of market saturation and intense competition with foreign companies. In this difficult situation, I think a lot of them are focusing on efficiency.

In this thesis, I analyze the electrical appliance/precision instrument manufacturing industries using an envelopment analysis method that has been claimed as a statistical method for measuring management efficiency and whose purpose is to obtain insight.

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