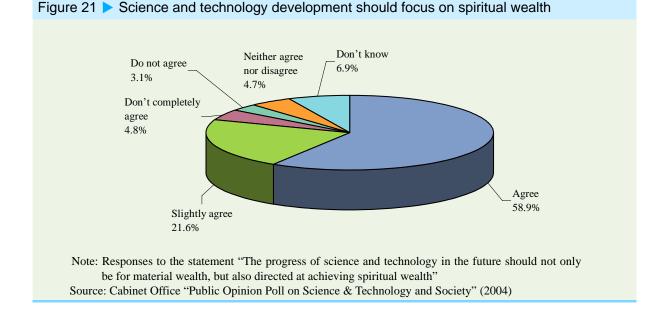
Section 3 Science and Technology Contributing to Building a Spiritually Wealthy Society

Science and Technology Contributing to Achieving Spiritual Wealth

In an aging society with fewer children the average lifespan is increasing, if it is possible to extend the healthy lifespan (period of time of healthy independence, in terms of the quality of daily life and health of both mind and body) through science and technology, this is expected to lead to a society in which people can live a long life of health and abundance. Over 80% of people feel that the progress of science and technology in the future should contribute not only for material wealth, but also for achieving spiritual wealth (Figure 21).



2 Science and Technology to Contribute to Preservation/ Utilization of Cultural Heritage and Creation of Arts

Science and technology contributions to preservation and restoration of tangible cultural heritage

For the preservation and restoration of tangible cultural heritage, preservation and restoration techniques are being developed using the latest science and technology.

Science and technology contributions to preservation and restoration of intangible cultural heritage

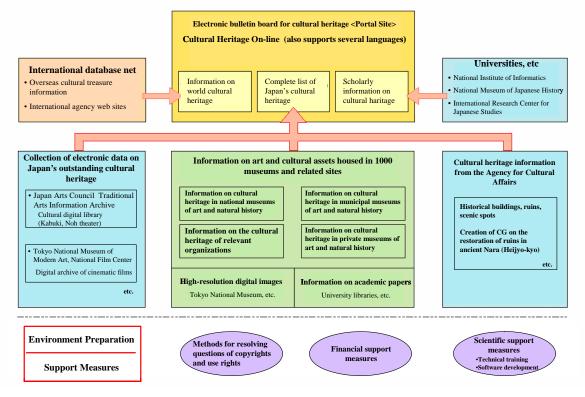
Science and technology makes a large contribution to the preservation and passing down of skills that have historical and artistic value, such as the movements of the human body, as in the traditional techniques of pottery artists, etc.

Recent advancements in 3-D imaging technology have made it possible to make detailed recordings of movements.

Cultural heritage on-line

The Agency for Cultural Affairs and the Ministry of Internal Affairs and Communications are working on the "Cultural Heritage On-line Concept" to actively disseminate information on tangible and intangible cultural heritage of local regions and the nation using broadband technology. Under this plan it will become possible for citizens to easily obtain information on cultural heritage and traditional arts even from great distances.

Cultural Heritage On-line Concept Overall scheme



Source: Agency for Cultural Affairs "Cultural Administration for the Nation" (2005)

Science and technology contributing to the creation, transmission and use of arts and crafts culture

There has been remarkable progress on IT/telecommunications technology in Japan and a widespread use of computers and broadband connections. It is now an era in which anybody can view the information they want at almost any time. In the midst of this a new field of art has been created, known as media arts, including movies, animation, CG (Computer Graphic) art and game software using the multifunctionality and flexibility of the latest digital technology.

At the FY2005 Media Arts Festival, a symposium on the fusion of art and technology was held, and the latest technologies were introduced (leading edge technology showcase), drawing a high level of interest.

FY2005 Media Arts Festival, Agency for Cultural Affairs Grand prize winner in the art division



Title: Khronos Projector

Symposium "Fusion of art and technology" -It's future



A new look at the drawings from the "Genji Monogatari" (Tales of Genji)



Photo 1: Takekawa (Bamboo River) chapter scroll, Image of the wife section, Original image



Photo 2: Takekawa (Bamboo River) chapter scroll, Original image, Magnified section



Photo 3: Takekawa (Bamboo River) chapter scroll, Patterns visible using fluorescent imaging technology

Sports to provide "spiritual wealth"

Sports are not simply a spectator form of entertainment; sports also offer a great deal of enjoyment to those who participate. Science and technology makes a large contribution to the analysis of the basic principles of sports in order to improve records, as well as to the advancement of the equipment and materials. As science and technology advance, the materials in the equipment changes, and more people can enjoy involvement in sports.

Science and Technology Creating Intellectual Value and Answering Intellectual Curiosity

The new understanding and discovery arising from the investigation of human frontiers of space, the earth and life contribute to the shared intellectual assets of mankind and answer the intellectual curiosity of people throughout the world who desire to know the truth.

Challenges for Building a Future Society - the Role of Science and Technology in an Aging Society with Fewer Children

Unraveling the mysteries of space Hayabusa

Hayabusa, the asteroid explorer launched in 2003, landed on the asteroid Itokawa in November 2005, approximately 300 million kilometers from earth. If the technology to bring back the samples obtained from the asteroid can be implemented, it is expected that this will provide clues about the solar system galaxy in which the asteroid was born (Figure 22).

Figure 22 > Asteroid explorer Hayabusa



Source: Japan Aerospace Exploration Agency



Deep Sea Drilling Vessel Chikyu

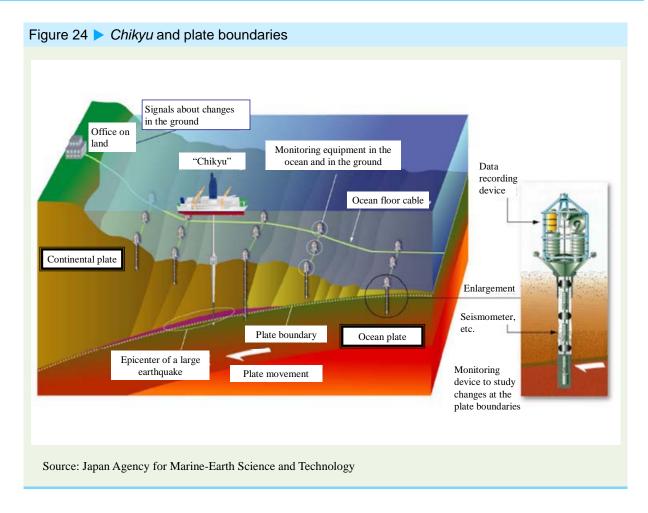
The deep sea drilling vessel, *Chikyu*, developed by Japan is expected to reach the mantle of the earth and investigate the massive earthquake zones in the ocean trenches. In addition, earthquake measurement equipment will be buried in the holes dug by *Chikyu* to help build an earthquake measurement network system to quickly relay information at the moment an earthquake occurs. This is expected to make a large contribution to future earthquake prediction, and disaster preparedness in urban areas (Figure 23, Figure 24).

Figure 23 > Chikyu





Source: Japan Agency for Marine-Earth Science and Technology



Investigation of ancient Egyptian ruins using satellite information

Science and technology is used to understand ancient civilizations. Data about the surface of the earth obtained from earth-observation satellites orbiting in space several hundred kilometers in space is being analyzed to look for characteristics similar to pyramid sites that have already been excavated, in order to identify promising locations to discover other as yet unknown pyramid sites.

Section 4 Science and Technology for the People and the Human Resources to Support Them

Science and technology for the sake of the people

(1) Understanding and interest of individuals toward science and technology

Necessity of Understanding and interest in Science and Technology

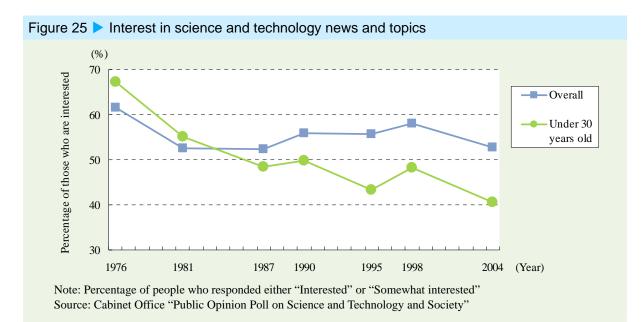
Science and technology continues to become more closely related with our daily lives, but in recent years there is a decline in interest in science and technology among the people in Japan, particularly among the young (Figure 25).

However, in the midst of a global shift to knowledge-based society, it is crucial for people to have an understanding of and interest in science and technology in order to actively cope with an aging society with fewer children through the creation of intellectual and cultural value, and the resolution of social and economic problems with science and technology, as shown in the previous section.

Improving science and technology literacy

It is important for individual citizens to have a basic understanding and ability in science and technology (science and technology literacy) for sufficiently enjoying the results of science and technology, considering desirable implementations of science and technology in society with interest, and forming their own opinions.

Methods likely to be effective in improving the science and technology literacy of citizens include presenting easy-to-understand, specific information on knowledge, skills and viewpoints on the science and technology that should be familiar to adults. The Third Science and Technology Basic Plan sets forth that such ideal science and technology literacy should be defined and widely disseminated.

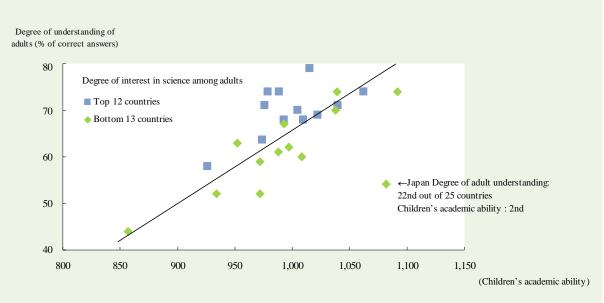


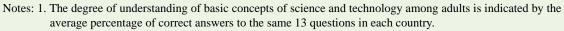
Status of science and technology literacy and interest in Japan

It is important that citizens have an appropriate level of science and technology literacy in order to move forward into a new society through science and technology. At present, however, the understanding of adults in Japan regarding the basic concepts of science and technology is low in comparison to international levels (Figure 26).

Analyzing the degree of understanding by adults in Japan and various countries in Europe and America regarding the basic concepts of science and technology, along with the academic ability of children in science and math (Figure 26), shows that in general, countries in which the science and math abilities of the children are high also have a high level of understanding among adults, while low math and science abilities in children are associated with low levels of adult understanding. In Japan, however, situation is quite unique, as the academic abilities of the children are at the highest international levels, while the degree of understanding of science and technology among adults is in the bottom level.

Figure 26 Degree of understanding of science and technology among adults and academic ability of children (25 countries, including Japan)





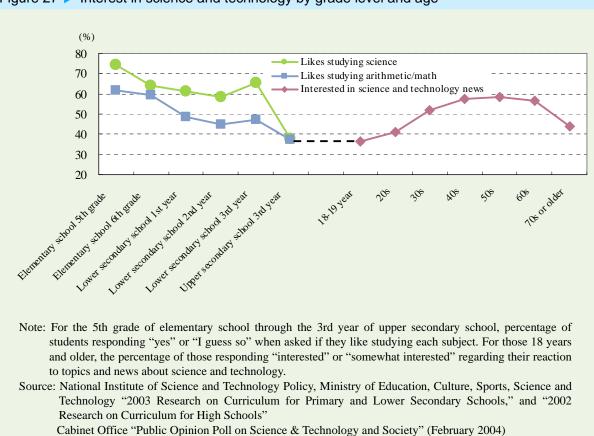
2. The academic ability of children is the combined average score on science literacy and math literacy form PISA 2003 surveys by OECD.

3. The degree of interest in science among adults is the percentage of those who responded that they were "very interested" or "fairly interested" in news reports on new scientific discoveries.

Source: National Institute of Science and Technology Policy, Ministry of Education, Culture, Sports, Science and Technology "Survey on the awareness about science and technology" (NISTEP REPORT No. 72, March 2001)

- US National Science Foundation (NSF) "Science and Engineering Indicators 2002"
- European Commission "Special Eurobarometer Europeans, Science and Technology"

In Japan, the academic ability of children in science and math is at the highest levels internationally. In comparison, the interest in science and technology (study of math and science) drops as they progress to higher academic levels. This does not change after reaching adulthood (Figure 27), and the degree of understanding of science and technology among adults is far below international levels.





Propagation of indifference

A child's like or dislike of science is greatly affected by the adults around the children.

In Japan, it seems likely that there is a self-perpetuating cycle of disinterest, as children with low interest become adults with low interest, and the low-interest adults influence the next generation of children to have low interest. In such a situation it is likely that the awareness and understanding of science and technology among adults would also be low.



Tokyo/Akihabara

Nagasaki

(2) Building empathy and confidence in science and technology

Mechanisms to vitalize communications to connect science and technology and society

It is necessary to decrease the number of children and adults with no interest in science and technology, increase science and technology literacy, and invigorate two-way communications between science and technology and society.

There should be outreach programs through which researchers and engineers explain their research to the public in easy-to-understand ways, as well as hear the desires and anxieties of the public and reflect them in their activities. In addition, there is a need to increase the opportunities for people to touch, experience and learn about science and technology at museums and science exhibition centers, and foster and ensure specialized personnel to be the workers responsible for these activities, volunteers, and science and technology journalists.

Furthermore, there must be efforts to train and improve the quality of good teachers, and coordinate among schools, local universities, public research institutes, businesses and museums so that they can convey to children the importance and pleasure of learning science and math by providing more opportunities to speak directly with researchers and meet them face-to-face, and to understand empirical and problem-solving science and technology through observation, experimentation and training.

Researcher/engineer ethics

In February 2006 the Council for Science and Technology Policy decided the "Handling Misconducts in Research" to provide its opinions to the relevant ministries. It stated that there was a need to quickly deal with problems of misconducts in research, and requested that the researcher community, relevant ministries, as well as universities and research institutes take measures according to their respective positions based on the autonomy of those involved in research.

At present, the "Special Committee on Misconducts in Research Activities" is established in the Council for Science and Technology of the Ministry of Education, Culture, Sports, Science and Technology, conducting studies to deal with the improper behavior in research activity that is performed with public competitive funds. In addition, the Science Council of Japan conducts investigations on presenting a charter or a code of conduct of scientists in order to maintain and strengthen the autonomy and ethics of the scientific community from the standpoint of representing the community of scientists.

Country	Measures (cases)
USA	 Office of Science and Technology Policy (OSTP) adopted federal regulations on misconduct. Office of Research Integrity (ORI) and National Science Foundation (NSF) came to require research institutes to establish procedures for investigating and judging misconduct and a code of conduct as a qualification for research grants.
	• For researchers found to have engaged in misconduct, measures are taken, such as loss of the qualification to apply for grants for several years, publication of details of misconduct and dismissal from associated research institutes.
	• National academies implement education and awareness-raising activities, such as publication of pamphlets on ethics aimed at young researchers.
Germany	 The committee on "Professional Self Regulation in Science (Selbstkontrolle in der Wissenschaft)" established by the German Research Foundation (Deutsche Forschungsgemeinschaft; DFG) issued recommendations on 16 items, including the establishment of procedures to investigate and judge misconduct and a code of conduct at research institutes. At several universities, procedures to deal with misconduct and a code of conduct were established in accordance with these recommendations.
France	• The National Institute of Health and Medical Research (Institut national de la sante et de la recherché medicale; INSERM) established a code of conduct and procedures to deal with misconduct.
United Kingdom	 Each research council, including the Medical Research Council (MRC), established guidelines on code of conduct, and guidelines on procedures to investigate and judge misconduct. Many universities have codified the same kind of rules and procedures as those of the MRC.
Northern Europe	• In Denmark and Norway there are national level agencies to handle cases of suspected misconduct.
China	 The Chinese Academy of Sciences has established a Science Morality Construction Committee and enacted a rule on autonomous ethics for members of the Chinese Science Institute Academy. The National Natural Science Foundation of China enacted the "Measures against misconducts in providing the Science Foundation grants (tentative)"

Figure 28 Handling in various nations for misconduct in research (Cases)

Source: Created by the Ministry of Education, Culture, Sports, Science and Technology based on the [Current Status and Countermeasures to Misconduct in Science (Science and Society Standing Committee report)] of the Science Council of Japan

Human Resources to Support Science and Technology

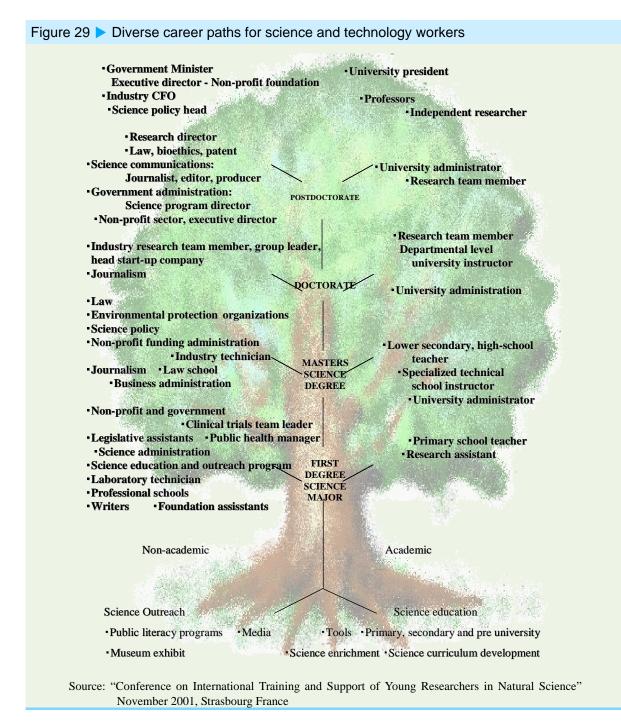
(1) Science and technology-related personnel acting in a wide range of jobs, and personnel development

Science and technology-related personnel acting in a wide range of jobs and anxiety about a lack of personnel

If various problems arise with the changing of the population composition of we Japanese

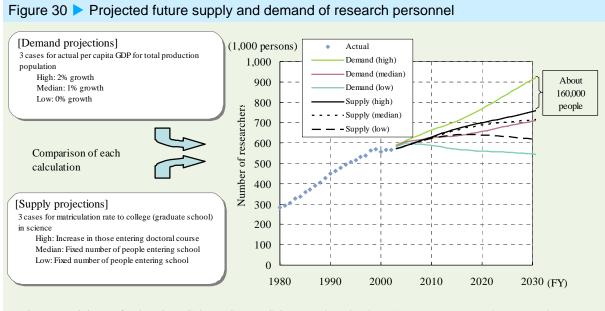
citizens, it is also we that must overcome these problems and open the way to a new society. The realization of a new social system through the creation and use of science and technology will be achieved only by the activities of those among us who are associated with science and technology.

There is no need to belabor the importance of the researchers who create new knowledge, but in addition, various science and technology-related personnel will come to play important roles in a more diverse range of sites and scenes in the future society where science and technology will be used even more actively (Figure 29).



It is estimated that, depending on the changes in the economic growth rate and industrial structure, in 2030 there could be a shortage of about 160,000 researchers and 1,090,000 engineers (Figure 30).

With an aging population with fewer children, it is predicted that the labor population will decline. This means it is necessary to ensure the quantity and quality of a wide range of personnel, and to create the environments in which every person working in science and technology can exercise their abilities to the fullest.



Source: Ministry of Education, Culture, Sports, Science and Technology "Report on Research Personnel Future Supply and Demand" (March 2005)

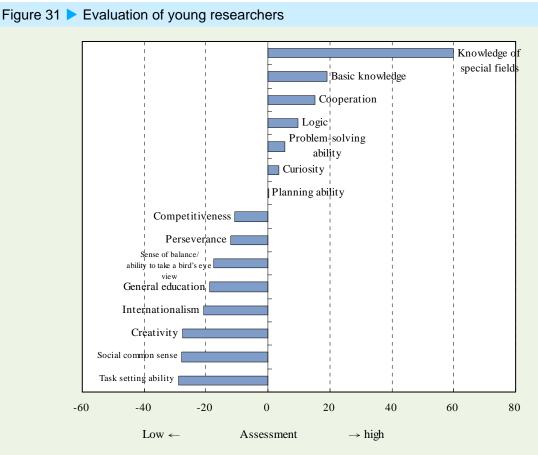
Personnel development efforts of universities/graduate schools to meet the needs of society

To work toward fostering and securing science and technology personnel, it is necessary for universities and graduate schools to continue to develop the human resources to meet the diverse demands of society, making full use of their role as a direct provider of science and technology personnel to society.

The evaluation of young researchers by currently-active researchers indicates high marks for knowledge of special fields, basic knowledge and cooperation, but low assessments for task setting abilities, social common sense and creativity (Figure 31). From the industrial world as well, there have been requests to the universities and graduate schools that supply the personnel, including "Teach them to think rather than giving them knowledge," "Switch from entrance exams that asses the quantity of knowledge to a format that assesses multiple facets, like the ability to think, interest, and aptitudes."^(Note)

Based on this, it is necessary for universities and graduate schools to improve educational content and methods. In particular, for graduate schools, it is necessary to clarify the purpose of the curricula, incorporating the needs of society, and to create systematic educational programs and thoroughly manage the degree-conferment process.

^(Note) Ministry of Education, Culture, Sports, Science and Technology "Survey on Private Sector Research Activities" (FY2004)



Notes: 1. Results of a questionnaire survey of researchers in industry, academia and government

2. For each item, the percentage (%) of those responding "very high" was multiplied by 2, the percentage of those responding "high" was multiplied by 1, the percentage of those responding "low" was multiplied by -1, and the percentage of those responding "very low" was multiplied by -2, and the values were added together.

Promotion of provision of opportunities for re-education

From the perspective of effectively utilizing a limited number of workers in an aging society with fewer children, even for people who have completed a university degree and entered into society, it is desirable for them to return to school to learn the latest theories and technologies in their specialty, to learn about new, related fields, as required, and to acquire new abilities in addition to those already acquired through their career. In recent years, while the number of working adults studying at universities and graduate schools has been increasing, it is desirable for universities and graduate schools to more actively provide opportunities for re-education to meet the needs of society.

(2) Preparing an environment in which it is possible for a diverse range of personnel to be fully active

Necessity to prepare the environment to fully utilize all personnel

In promoting an assured supply of science and technology-related personnel amid the predicted decline in population and continuing aging of society with fewer children, it is

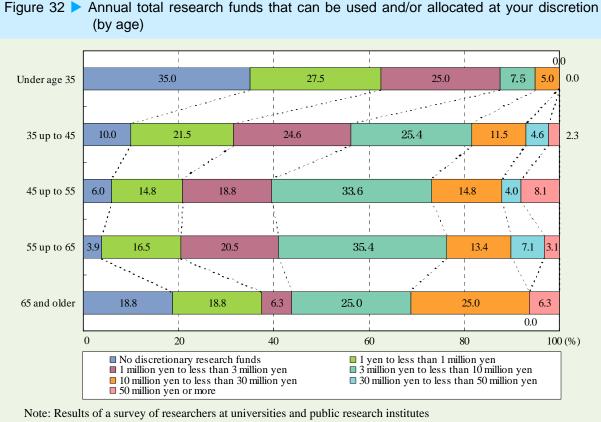
Source: Ministry of Education, Culture, Sports, Science and Technology "Survey of the State of Japan's Research Activities" (2005)

necessary to prepare the environment to enable the talented existing personnel to fully utilize their skills and talents.

Young researchers

There is increasing concern about the supply of personnel, particularly young researchers, from a quantitative perspective as the number of children in society declines. It is more important than ever to promote the activity of talented, highly-creative young researchers. To achieve this, it is necessary to develop the environment, such as tenure track systems, and to provide the opportunities to allow young researchers to conduct autonomous research activities and make full use of their talents.

In addition, with regard to securing research funds, the Ministry of Education, Culture, Sports, Science and Technology conducted a survey of researchers on the annual total of research funds that could be allocated at their own discretion. The results indicated that it is currently difficult for young researchers to obtain the research funding needed to conduct their own research (Figure 32).



Source: Ministry of Education, Culture, Sports, Science and Technology "Survey of the State of Japan's Research Activities" (FY2004)

Elderly researchers

Providing opportunities for talented people to be active, regardless of age, is important for society, also from the viewpoint of using the potential science and technology-related human resources in the higher age groups that are expected to increase in the future. There is a need for universities to make it possible for talented researchers to continue their research in some form, through the use of external funding, etc., as in the USA.

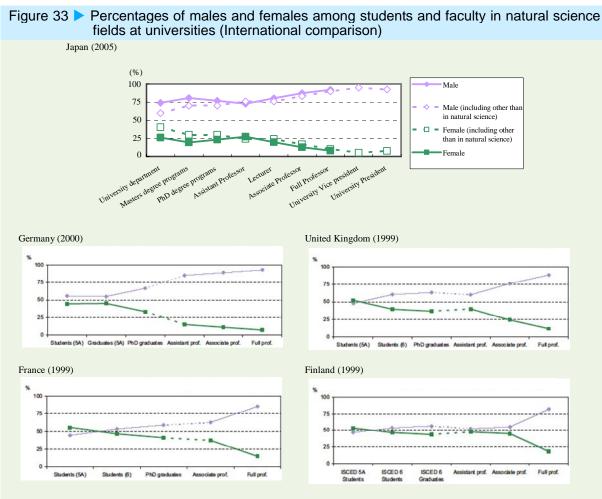
In positions other than researcher as well, it is desirable to increase the opportunities for elderly personnel with a wealth of accumulated knowledge and experience to be active and productive in order to promote science and technology.

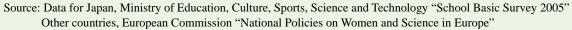
Female researchers

With regard to females, the percentage of researchers in Japan who are female is the lowest level internationally, so there is room for them to conduct more activity. It is an urgent task to take advantage of the talents of female researchers and engineers, in order to promote gender-equality as well as to expand the pool to secure quality science and technology personnel in the future.

At present, looking at the career path in a university teaching staff, from the time of entry into a university department, through the progression to graduate school, promotion to assistant professor, associate professor, and to full professor, the percentage of women drops at each stage of the career path. More than in Europe, in the career overall, there are few women employed or promoted, and even at the time of entrance to the university level there is a big drop in the percentage of women in comparison to men. In addition to measures to promote the active employment and promotion of female researchers, this suggests that it is also necessary to implement some measures at the stage the females graduate from upper secondary school (Figure 33).

Additionally, the differences between men and women in specialized fields are larger in Japan than in other countries in Europe (Figure 34).





Challenges for Building a Future Society - the Role of Science and Technology in an Aging Society with Fewer Children

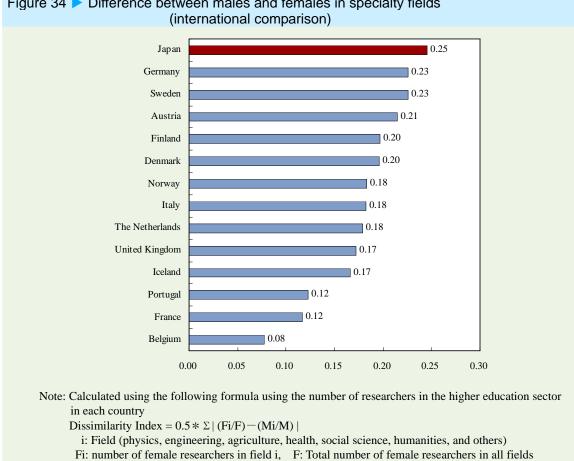


Figure 34 Difference between males and females in specialty fields

Source: For Japan, Statistics Bureau "2005 Science and Technology Research Survey" For other countries, European Commission "She Figures 2003"

As a result, a variety of measures will be implemented to promote the activity of female researchers. With regard to the granting of competitive funding, there should be expansion of measures that consider the balancing of conducting research and childbirth/child-rearing, etc., such as allowing for term extensions and interruptions for fixed periods for the purpose of childbirth and child-rearing. In addition, since there is already a large drop in the percentage of females that continue their education at the university level, there will also be efforts to increase interest and curiosity in young female students and children.

Mi: number of male researchers in field i, M: Total number of male researchers in all fields

Foreign researchers

In the midst of promotion of the active participation of a diverse range of personnel, it is important to prepare the environment that allows talented researchers from other countries to live and work in Japan, from the perspective of not only securing personnel, but also improving the level and internationalization of research activity in Japan.

Since there is fierce international competition for intellectual talent, in order to encourage universities and public research institutes to invite and recruit talented foreign researchers, the government of Japan will support the establishment of preparedness to accept them, that not only pays attention to the quality of research environments, but also to housing and schools for their children. Additionally, the government will further promote necessary reviews and operational improvements of the immigration control system and visa systems.

Chapter 3

Demands on Science and Technology in the Future

Section 1 Formulation of the Third Science and Technology Basic Plan

Context and Basic Ideas

Formulation of the First and Second Science and Technology Basic Plans and Status of Completion

In order to achieve the goal of "becoming an advanced science- and technology- oriented nation" the Science and Technology Basic Law was promulgated in November 1995. The following year the First Science and Technology Basic Plan based on the stipulations of the above Act was established for the period from FY1996-2000. During that period government investment in research and development was over 17 trillion yen. The Second Science and Technology Basic Plan was established for the period from FY2001-2005, with government investment in research and development of over 21 trillion yen. In addition to a focus on four priority fields (life sciences, information and telecommunications, environmental sciences, nanotechnology/materials) for prioritized investment, there was also progress on renewal and upgrades to the science and technology system (Figure 35).

Basic stances, ideas and goals of the Third Science and Technology Basic Plan

In light of intensifying science and technology competition in the world, the progression of the aging of society with fewer children, safety and security issues, the high expectations of the people regarding the role of science and technology for global problems like environmental problems, and the decline in interest in science and technology apparent among citizens, the Third Science and Technology Basic Plan enacted in March 2006 adopted two basic stances: "Science and technology to be supported by the public and to benefit society," and "Emphasis on fostering human resources and competitive research environments—Shift of emphasis from hard to soft such as human resources; greater significance of individuals at institutions."

Furthermore, continuing with the three basic ideas from the Second Science and Technology Basic Plan (create human wisdom, maximize national potential, protect nation's health and security), six main targets were announced as the concrete policy goals (quantum jump in knowledge, discovery, and creation; breakthroughs in advanced science and technology; economic growth and environmental protection; innovator Japan; nation's good health over lifetime; and the world's safest country). In addition to implementation of policies to achieve these aims, evaluations of the policy results are also being conducted.

Additionally, the financial restructuring through the integrated reform of expenditure and revenue is becoming a crucial issue. Under these circumstances, there is a need to ensure that the

percentage of governmental research and development expenditure to GDP in the period of the third basic plan should be raised up to at least the same level as in the U.S. and major European countries from the viewpoint of continuing the effort of S&T promotion made during the period of the previous basic plans. To achieve this, the total amount of the governmental research and development expenditure is estimated about 25 trillion yen.

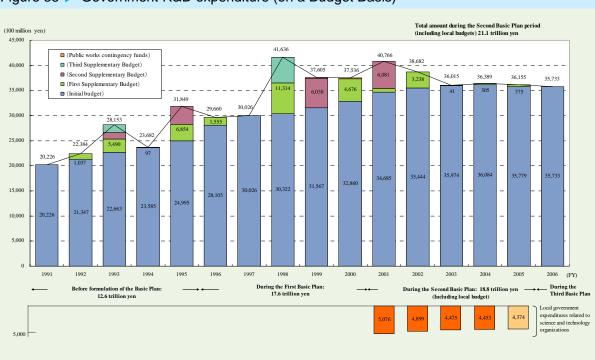


Figure 35 Government R&D expenditure (on a Budget Basis)

Note: Includes the science and technology related expenditures of local governments (FY2005 budget numbers are the initial budget)

Source: Created by the Ministry of Education, Culture, Sports, Science and Technology

2 Aims of the Third Science and Technology Basic Plan

A summary of the concrete measures mentioned in the Third Basic Plan is presented below.

(1) Strategic priority setting in science and technology

Promotion of basic research

Basic research producing diverse wisdom and innovation will be steadily promoted with a certain amount of investment. Research based on the free ideas of researchers as well as research based on policies aimed at developing new understanding for renewal in the economy and society, and for future applications are all being advanced with due consideration to their respective significance.

Priority setting in R&D for policy-oriented subjects

For the Third Basic Plan, the priority for resource allocation continues to be assigned to four fields to be promoted (life sciences, information and telecommunications, environmental sciences, nanotechnology/materials). In addition, the Council for Science and Technology Policy

establishes the priorities for the "field-specific promotion strategies" and selects "Strategic Prioritized Science and Technology" as the target for focused investment during the period of the Basic Plan including "Key Technology of National Importance."

(2) Reforming the Science and technology system

Developing, securing and activating human resources

An environment will be developed where human resources with diverse talents, including the young, female, foreign and senior researchers can demonstrate their motivation and abilities to the fullest, while consistent and comprehensive measures for human resources development will be taken, right from the elementary and lower secondary education stages through to the level of full-fledged researchers/engineers. In this way, the quality and quantity of human resources will be secured even as society continues to age.

Creating scientific development and persistent innovation

In order to realize the social and economic value of the results of research and development through innovation and to find the intellectual and cultural value form scientific progress, the goal is to effectively utilize resources for science and technology and to promote science and technology that returns results to society and the people.

Reinforcing the foundation for promoting science and technology

In order to develop and train talented personnel and promote creative, cutting-edge research and development, progress will be made on the preparation of equipment and facilities of universities and public research institutes that form the foundation for research and development activities.

Strategically promoting international activities

For strategic promotion of international science and technology activities, science and technology alliances with other Asian nations will be strengthened, in addition to the promotion of collaborative research and formation of multi-layered networks within bilateral and multilateral frameworks. In addition, the environment to enhance international activities will continue to be developed and efforts will be made to promote the welcoming of talented foreign researchers.

(3) Science and technology to be supported by society and the public

In addition to returning the fruits of science and technology to the people, research institutes and researchers have a basic responsibility to publicize the research activities as much as possible and to explain the content and results in an understandable way to society. In order to enable researchers to understand peoples' needs, dialogue between researchers and the public will be promoted. In addition, to promote interest in science and technology among the public, there should be thorough education in math and science in primary and secondary education levels, and widespread distribution of easy-to-understand documents on knowledge, techniques, and viewpoints related to science and technology in order to increase the understanding and ability of adults regarding science and technology. Challenges for Building a Future Society - the Role of Science and Technology in an Aging Society with Fewer Children

(4) Dealing with a declining population and an aging society with fewer children

In the Third Science and Technology Basic Plan it is crucial to maintain and promote science and technology as a source of power for the country, to make it possible to sustain development and overcome population declines and an aging society with fewer children. It is a goal to overcome diseases afflicting the public, from children to the elderly, and to achieve a society in which everyone can stay healthy. By achieving this goal, science and technology will make a greater contribution to the people, society and the world.

Section 2 Japan and Science and Technology in the Future

Science and technology as a source of vitality

Although the Japanese economy has shown signs to shift to a sustainable growth process, there are many problems that Japan needs to handle, including the rapid aging of society and decline in the number of children, the fear of a shrinking labor force, intensifying international competition, large-scale natural disasters, terrorism and global problems like environmental problems. To solve these problems, there are greater and greater expectations placed on science and technology. Indeed, many of the issues that society faces are those that should be addressed by approaches other than science and technology, such as improving the social system, but there are also problems that can only be resolved by introducing new science and technology innovations that go beyond the level of the existing technology. The scope of such societal issues is widening further with the expanding needs of people and society. Science and technology is expected to contribute to realizing a society in which people can act freely and comfortably, bringing economic benefits through innovation, and building a social environment in which people can enjoy spiritual and material ease.

To build the society that people desire, it is not sufficient to simply improve safety and convenience through science and technology; there must also be social systems and mechanisms prepared to deal with the changes. Science and technology alone cannot provide the solutions to all problems, but through a shared understanding of the issues, and solutions to each of the problems that can be addressed, science and technology will be a force that provides enormous benefits to the society of man, and can be a source of social, economic and cultural vitality for the nation.

2 Becoming a problem-solving leader

In order to become a country of significance in the world, Japan needs to become a nation that can actively propose solutions for problem of the sustainable society.

By achieving an abundant and vigorous society even with an aging society with fewer children, Japan should show the world effective solutions and aim to be a leading problem-solver for the world, and science and technology is expected to make a large contribution.

Conclusion

As described above, the progress of an aging society with fewer children is a problem that will affect a variety of aspects of Japan's society in the future. It is a big issue for us to cope with this problem in the midst of increasingly severe international competition. However, as we now face the big transition in the declining population, it could be said that we have the opportunity to be the pioneers of a new society by actively addressing the problems, regarding this to be a challenging opportunity to build the future society.

In order to realize such a challenge, it should be required to review the various social systems that have been established under the growing population, and to realize affluence under the aging society with fewer children, while giving consideration to global environmental problems and resource/energy constraints.

The challenge would be to design a society where we can maintain economic vitality and achieve happiness of the people through self-realization, with each individual working to enhance their skills and capabilities, and to conduct fulfilling activities in the community. In addition, it would be a society where the social burden could be minimized as much as possible with everyone working and supporting each other. It would also be a society where an individual could spend time throughout their life on family activities, personal interests and community activities, while maintaining a balance between work and daily life: in other words, a balanced society offering quality of life.

To realize such a society, it is necessary to make wide-ranging efforts throughout the entire society, since it involves a variety of elements, such as the various social systems and attitudes of people. As the population declines, science and technology becomes the wellspring of the power to maintain and improve the economic vigor that is the foundation of a wealthy society. Science and technology have a significant role to fulfill in this challenge, including the creation of new knowledge resulting from the progress in science and technology, and realization of innovation based on this. Science and technology are also required to address the needs of society in the fields of health, safety and security.

It is also anticipated that science and technology will provide an even greater impact on all facets of society in the future. In order for science and technology to properly meet the demands of society, there must be understanding, sympathy and support from a wide range of people toward science and technology. In such an environment, a wide range of science and technology related human resources can be developed, as well as the nurturing of an attractive research environment where highly qualified personnel from throughout the world can gather and develop under competitive conditions. Furthermore, it is also expected that this will give rise to knowledge and understanding that will contribute to solving common problems shared for all of humanity.

This is the first year of the Third Science and Technology Basic Plan that adopts the basic posture of "S&T to be supported by public and to benefit society," and "Emphasis on fostering human resources and competitive research environments." From now, Japan will aim to be a creative nation based on science and technology, and to steadily implement the Basic Plan while

strategically prioritizing research and development investment through selection and concentration. Through this effort and the promotion of science and technology, it is required to establish an abundant and vital society, as well as to contribute to solving the common problems for all of humanity through the creation and utilization of knowledge.

Chapter 1

R&D Expenditures

Total R&D Expenditures

R&D Expenditures by Financing and Performance

R&D Expenditures per Researcher

R&D Expenditures by Character of Work

R&D Expenditures by Industry

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R&D Expenditures in Japan by Type

Chapter 2

Research Personnel

Researchers
 Personnel Engaged in R&D
 Production and Employment of Research Personnel

Chapter 3

Trends Related to Research Performance

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Chapter 4

Efforts to Develop New Science and Technology Indicators

Efforts by the OECDEfforts in Japan

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Development of Science and Technology Policies

- The Science and Technology Basic Plan
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Chapter 2

Priority Strategies for Science and Technology

Promotion of Basic Research

Prioritization of Research and Development in Response to Issues Important to the State and Society

Chapter 3

Reform of Japan's Science and Technology Systems

- Reform of Japan's Research and Development System
- Strengthening of Industrial Technology and Reform of the Structure for Coordination between Industry, Academia and Government
- Promotion of Science and Technology in Regional Area
- Fostering and Securing Excellent Researchers and Engineers
- Establishing Channels for Communication between Society and Science and Technology
- Developing a Foundation for Promoting Science and Technology

Chapter 4

Promoting International Science and Technology Activities