have undergone a process of reform, such that they now are considered to be International Administrative Institutions (IAIs). The administrative work of the IAIs is now done considerably more efficiently. Currently, the reform of public organizations is underway. The government has already decided what the nature will be of the reforms that several public corporations will undergo, corporations such as the National Space Development Agency (NASDA), which will merge with two other space-related public organisations (see below). Four more S&T related corporations are likely to experience reform within a year or two. As described earlier, the national university system will undergo its own reform, such that their status will be that of a form of agency. This is seen as being a rather dramatic event, since Japan first introduced its modern higher education system back in the Meiji period, over one hundred years previously. There has not been such significant change in the system since that time, so long ago. Just as the IAIs were produced, so also will the universities be deregulated, so that they can accelerate their levels of co-operation with industry. Accordingly, inter-university institutes (such as the three in Okazaki, and at RIKEN, etc.), are likely to be re-organised.

## A) R&D Budget for 2002

S&T related budget request for FY '02/'03 by Ministry/Agency (as of Dec 25, 2001)