

the basis that advances in these areas should help the nation survive and prosper in the 21st century:

1. Provide solutions to environmental problems
2. Provide solutions to the problem of there being fewer children and an aging society
3. Revitalise the regions
4. Restructure the cities
- 5. Advance Science and Technology (S&T)**
6. Nurture human resources and promote education and culture
7. Bring into realisation a nation that is led by the world's most advanced IT

As is seen from the above, S&T is included in the list of priority areas that Japan intends to focus on, because it is widely recognised that the nation cannot survive without a heavy reliance on the advancement of S&T. The most recently published White Paper (2001) bears the title: "Creativity of Japan's Science and Technology" and this report characterises the key objectives of Japan's S&T agenda. The Council for Science and Technology Policy (CSTP) of the Cabinet Office recently (April 1, 2001), implemented the second phase of the S&T Basic Plan to work towards that goal. To accomplish these objectives the CSTP has set the goal for the country to spend 24 trillion yen (ca. \$300 billion Cdn) on S&T for the coming 5 years, commencing April, 2001 (FY01). This amount is 7 trillion yen more (over 40% higher) than that allocated for the first 5-year phase of the S&T Basic Plan. The total draft budget request this year for S&T-related items is 3.54 trillion yen, reflecting an increase of 2.0% over the previous Fiscal Year, even though there was an overall decrease of 17% in the General Account. This level of funding is the clearest possible indication that the Government of Japan has placed strong emphasis on its perceived importance of the promotion of S&T, even though the Japanese economy now is in a very serious situation. The CSTP has proceeded to implement new programs in FY01/02 to accomplish its objectives (see below), even to the extent of using its own funds to promote S&T. Its budget request for FY02/03 is 36.8 billion yen.

- Reform of the S&T system so it can generate excellent, usable outcomes
- Strategic approach to areas and fields which are expected to grow in the future
- Internationalisation of S&T activity in Japan

The S&T structure of Japan has changed drastically ever since a major administrative reform took place in 2001. The number of government bodies has been reduced; formerly there were the Prime Minister's Office plus 22 ministries and agencies. These have now been cut back, through mergers, to the existence of a Cabinet Office and only 12 ministries and agencies.

Most noteworthy is the merger of Monbusho (formerly the Ministry of Education, Culture, Sport and Science) and the Science & Technology Agency. The English form of the name of the new ministry is MEXT (phoneme produced by the phonetic manipulation of "MECSST", a too-cumbersome acronym created from the formal English title: "Ministry of Education, Culture, Sport, Science and Technology"). Fifty-nine national laboratories