

**CAUSAL RELATIONS BETWEEN BANK LOANS AND BUSINESS
CONDITIONS IN 6 PREFECTURES OF THE TOHOKU REGION:
AN APPLICATION OF THE RELATIVE POWER CONTRIBUTION**

By TOMOKO AIZAWA

〈SUMMARY〉

The object of this paper is to clarify the relationship between bank loans and business conditions in 6 prefectures of the Tohoku Region. As a result of estimating by the relative power contribution, it shows causal relationship from bank loans to business conditions in one prefecture. And, also it shows the feedback relation between bank loans and business conditions in another prefecture. Furthermore, it shows there is no causal relationship between bank loans and business conditions in the other prefecture. Moreover, even if it is in the same Tohoku region, there is the structural change by an earthquake disaster in one prefecture, and there is no structural change by an earthquake disaster in another prefecture.