



Global COE Hi-Stat Newsletter

No. 9 (March 2013)

Contents

Hitotsubashi University Policy Forum/Global COE Open Forum “What’s the Use of Economics?”	
	Yukinobu Kitamura... 1
GAMES 2012: A Report on the 4th World Congress of the Game Theory Society	
	Takeshi Nishimura... 3
Report on Research Visit: Technological Change and Productivity During the Early Twentieth Century	
	Pieter Woltjer... 5
Discussion Papers ...6	
Seminars and Conferences ...9	
Awards ...14	
Ph.D. Conferments ...14	

Hitotsubashi University Policy Forum/Global COE Open Forum “What’s the Use of Economics?”

Yukinobu Kitamura

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On December 14, 2012, the Hitotsubashi University Global COE Program held an open forum at the Star Hall of the Josui Kaikan on the topic “What’s the Use of Economics?” The forum was well attended, with more than 120 participants. The choice of topic reflects the sense among economists around the world that economics has not been able to respond well to the successive economic and financial crises that have plagued the world economy since the 1990s, giving rise to various debates under similar headings. In this sense, the criticisms that have been leveled against the economics profession are not confined to Japan.

The first presentation at the forum was given by Prof. Kotaro Suzumura (Hitotsubashi University emeritus professor, member of the Japan Academy) and focused on the topic “Design of Economic Institutions and Social Choice.” Prof. Suzumura talked about historical, philosophical, and theoretical aspects of the difficulties underlying the democratic choice of economic institutions and improvements in the economic tools for overcoming such difficulties. Furthermore, from specific issues regarding the design of economic institutions at the micro level he compellingly expanded his argument to wider issues

regarding the choice of economic systems and discussed the role that economics has come to play and the role it is expected to play in the future.

Next, focusing on “Development Economics and Natural Disasters,” Prof. Yasuyuki Sawada (University of Tokyo) discussed how in the field of development economics, various insurance mechanisms have been devised and applied to prepare for uncertainties such as natural disasters. He highlighted how such mechanisms have been devised based on trials following scientific experimental methods and are subjected to policy evaluations.

Prof. Daiji Kawaguchi (Hitotsubashi University) focused on the “Discovery of Causal Relationships in Empirical Economics.” Focusing on research that treated the revision of the minimum wage law in 2007 as a natural experiment and investigated the effect of the increase in the minimum wage on employment of the young, he suggested that the higher the increase in the minimum wage in a particular region, the larger was the decrease in the employment rate among teenagers. He illustrated how, because the increase in the minimum wage rate differed by region, it became possible to analyze the effect on employment of the young as though it were an experiment. He closed his presentation by arguing that the accumulation of straightforward empirical research such as this helps to consolidate our understanding of economic issues.

The topic chosen by Prof. Tamotsu Nishizawa (Hitotsubashi University) was “Economists in the History of Economic Thought.” He concentrated in particular on Tokuzo Fukuda, who was active in the prewar period. Following the Great Kanto Earthquake (1923), Fukuda conducted a detailed unemployment survey and wrote *The Principles of Economic Reconstruction and Some Issues*, in which he argued that the first principle of reconstruction must be the reconstruction of people’s livelihoods, that is, their daily life and business activities, as well as employment opportunities. Fukuda, moreover, played a role in the decision to revise housing legislation as well as measures to prevent unemployment and the

employment placement business reform bill. In addition to highlighting the important part played by Fukuda during his lifetime, Prof. Nishizawa argued that Fukuda’s conviction that what mattered was improving people’s quality of life rather than simply increasing wealth subsequently has had a large influence on the economics profession.

Next, looking at the role of training in economics at Hitotsubashi University’s Graduate School of Commerce and Management and Faculty of Commerce and Management, Prof. Hideshi Ito (Hitotsubashi University) talked about the current state of, and issues in, “Business School Economics.” According to Prof. Ito, economics, similar to sociology and psychology, is a basic discipline for analyzing behavioral choices of humans. He argued that one aspect of studying economics is that rather than examining issues in business organizations in a vertical fashion it involves dissecting them in a horizontal fashion. He further explained that when organizations do not necessarily function as a group of individuals making rational decisions, taking an economics approach can make it possible to understand various issues related to organizations.

Finally, Prof. Yukinobu Kitamura (Hitotsubashi University) argued that during the recent financial crisis, historical experience provided important lessons. As an example, he cited the quantitative easing conducted by western central banks based on the lessons of financial crises in the United Kingdom during the 19th century and the Great Depression. In *Lombard Street*, which provides a prescription for recovering from a major depression, Walter Bagehot argued that the central bank should act as a lender of last resort and provide unlimited amounts of liquidity to troubled financial institutions, but should do so at punitively high interest rates. In fact, today we are a long way from punitive interest rates and have in fact entered a world of zero interest rates. Although it is important to pay attention to historical experience, it needs to be interpreted taking current circumstances into account, as history does not repeat itself in exactly

the same fashion. Thus, it is important to understand particular patterns while at the same time being aware of circumstances and constraints that are peculiar to their specific setting and time.



The panel discussion that followed the presentations

provided the audience with an opportunity to ask questions, to which the panelist responded as much as time would allow. The consensus that emerged was that economics has no choice but to steadily accumulate more research and work diligently so as to be useful to people's lives.

Handouts and video clips (in Japanese) of the open forum can be found on the following website:

<http://www.hit-u.ac.jp/kenkyu/project/forum.html>

<http://www.hit-u.ac.jp/function/outside/news/2013/0128.html>

This article originally appeared in Hitotsubashi University's Hi-Stat Vox Series as Hi-Stat Vox No. 26.

GAMES 2012: A Report on the 4th World Congress of the Game Theory Society

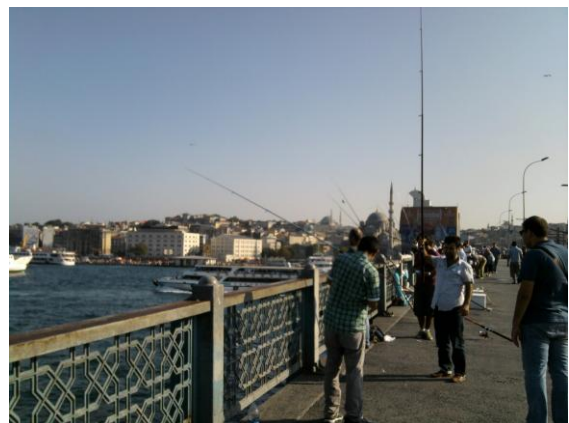
Takeshi Nishimura

JSPS Research Fellow

Department of Economics, Hitotsubashi University

Last summer, I had the opportunity to attend the 4th World Congress of the Game Theory Society held at Bilgi University in Istanbul, Turkey, from July 22 to 26, 2012, and to present a paper on my research there. The World Congress is a large global conference sponsored by the Game Theory Society, which is held every four years. The first such conference was held in Bilbao, Spain, in 2000, followed by the second conference in 2004 in Marseille, France, and the third conference held at the Kellogg School of Management in Evanston, USA, in 2008. The conference in Istanbul thus was the fourth in this series, which truly deserves its reputation as the leading global venue for game theorists, including, as it did, a panel discussion with John Nash and Reinhard Selten, joint winners of the

1994 Nobel prize in economics, and Eric Maskin and Roger Myerson, joint winners of the 2007 Nobel prize, as well as many other eminent scholars from around the world.



Galata Bridge on the Golden Horn in Istanbul (taken by the

author)

The conference had about 170 sessions, at which about 560 papers were presented, covering more or less all areas in the field of game theory. To give an illustration: areas covered include bargaining theory, repeated game, evolutionary game, auction theory, matching, mechanism design, contract theory, bounded rationality, etc. My own specialization is auction theory, and there were ten sessions alone that included the word “auction” in the title. Auction theory goes back to a seminal paper published by William Vickrey in 1961, and subsequent studies in the field have produced many important results, such as the revenue equivalence theorem, which shows that different auction rules bring about the same expected revenue for sellers, and rules for optimal auction design to maximize the expected revenue for sellers. At this conference, too, there were many interesting papers presenting novel results. Shmuel Zamir of the Hebrew University of Jerusalem, for example, presented a paper in which, by relaxing assumptions imposed in preceding studies, he showed that there exist multiple Bayesian-Nash equilibria in asymmetric first-price auctions. The large number of sessions on auction theory at the conference made me appreciate that although auction theory is a field with a venerable tradition, it still holds great interest for a large number of researchers.

I presented my own paper at the “Informed Principal” session, which was held on the second day of the conference. Informed principal theory is an area in the field of mechanism design (or contract theory). Mechanism design, in turn, essentially refers to theories for analyzing how to design mechanisms in the presence of information asymmetry. Typically, the mechanism designer is called the “principal,” and players participating in the mechanism are called “agents.” For example, in optimal auction design, the seller (principal), because he does not know buyers’ (agents’) valuation of an asset, aims at designing auction rules that allow him to smoothly extract private information from buyers and maximize his own

expected revenue. In standard mechanism design models, it is assumed that only agents have private information and that the principal has no private information whatsoever. In practice, however, it is natural to assume that the seller (principal) has private information on the value and quality of an asset, and analyzing this kind of problem where the principal has private information is what “informed principal theory” deals with. Both Roger Myerson and Eric Maskin are conducting leading edge research on informed principal theory and participated in that session. Being able to present my own research in front of these two scholars was a great privilege.

The title of the paper I presented was “Scoring Auction by an Informed Principal,” which considers a situation in which an authority in charge of procurements for public infrastructure projects such as highways and bridges (the “principal”), has private information on the parameters that affect both the consumer surplus of such public infrastructure projects and their construction costs. Moreover, regarding the mechanism that the procurement authority uses, the analysis focuses on a type of auction rule called scoring auction. This is a bidding method widely used in public procurements and in Japan is called the “comprehensive evaluation method for bidding.” As this name suggests, potential contractors participating in the bid need to present their proposals not only in terms of the price, but, at the same time, also in terms of the delivery schedule and safety considerations, and the contract for construction is awarded to the contractor that attains the highest score based on a pre-announced scoring rule. A key finding of the analysis is that when comparing the case in which the above-mentioned parameters are private information of the principal and the case where those parameters are common knowledge among the players, given sufficient conditions, the social surplus in the case of the former exceeds that in the case of the latter.

On the evening of the second day of the conference, the conference dinner was held on the campus of Bilgi University, where I was able to talk with Filippo

Balestrieri, who participated in the “Informed Principal” session. While I had had the opportunity to correspond with him by email about our research before the conference, this was the first time I actually met him in person. And on the evening of the fourth day of the conference, after going on a cruise of the Bosphorus, I joined the conference dinner at a venue on the shore. In the transfer bus, I made the acquaintance of Professor Theo Driessen of the University of Twente in the Netherlands and was able to talk with him, among other things, about his experience when he visited Japan. One of the important outcomes of the conference thus was that it also allowed me to network with overseas researchers.

All in all, the conference was an extremely valuable experience that not only provided me with the

opportunity to present my own research, but also to stay abreast of the latest research on game theory and network with overseas and Japanese scholars. I would like to take this opportunity to express my sincere gratitude to Professor Akira Okada, who has consistently provided guidance to me. Moreover, I would like to express my heartfelt thanks to the Hitotsubashi Global COE Program for financial support for participating in this conference.

The program of the 4th World Congress of the Game Theory Society can be found online at:

<http://games2012.bilgi.edu.tr/Program-Participants.html>

Report on Research Visit: Technological Change and Productivity During the Early Twentieth Century

Pieter Woltjer

COE Visiting Young Researcher

Faculty of Economics and Business, University of Groningen

Traditionally, economic historians have been more “numbers shy” than economists. However, as the work of the late Angus Maddison has shown, collecting and combining data can also lead to important new insights into economic history. This is also a guiding principle behind the work being done at the Groningen Growth and Development Centre (GGDC), as well as the economic history group at my department led by Professor Herman de Jong.

By going back to old statistical material, our group has been able to show that despite the Great Depression, the United States managed to improve its productivity lead over most European countries. Similarly, we have been able to disprove claims that declines in productivity led to the Great Depression in

the first place. This way, we strengthened the view that the 1930s were actually a period of great technological progress in the United States, as highlighted by the development of products such as nylon and the television for instance.

My research focuses on Britain’s inability to keep up with U.S. labor-productivity growth during the 1920s and 1930s. Explaining the dichotomy between the American and European growth experience, traditionally referred to as the “transatlantic productivity gap,” calls for an answer to the million-dollar question why some countries are richer than others. Although the aim of my research is a bit more modest, I still endeavor to see whether there are lessons from this period that hold for our current situation. In many ways,

the financial and economic crises that plague us today are similar to the Great Depression of the 1930s, so understanding economic development in that period may well hold valuable lessons for our current situation.

So far we have not ventured beyond the boundaries of the Western world. Still, it has always been our intent to link our study with research being done elsewhere. The work by Professors Fukao, Wu, and Yuan, in which they compared the economic performance of and productivity differentials between Japan, Korea, China, and the United States, stands out in this respect. Combining their work on the “transpacific productivity gap” – which they published in several top-tiered economic history journals – with the work of our group will get us one step closer to a truly global analysis of economic development in the early twentieth century.

When Professor Fukao invited me to visit the Global COE Research Unit for Statistical and Empirical Analysis in Social Sciences I accepted without hesitation. Such opportunities do not come along often. My stay at the Hitotsubashi University allowed me to directly access the pre-war Japanese and Korean statistics as well as browse the impressive collection of the IER Library. First and foremost, however, my visit enabled me to directly speak to the leading experts in the field. These discussions gave me a general overview of the current debates in Asian economic history, introduced me to the primary statistics, and helped me in framing a broad question for further research.

In addition, my visit coincided with a PRIMCED* International Research Workshop, giving me a taste of current research right off the bat. Halfway through my stay I also had the opportunity to present at the

Economic Development Workshop organized by the Institute of Economic Research myself. Here, I discussed the productivity dynamics in British and American manufacturing focusing primarily on the transfer of technology between both countries. On the basis of a novel analytical framework, borrowed from development economics, I showed that Britain started to adopt modern techniques of mass-production and managerial control from the 1920s onwards. This process of modernization allowed British manufacturers to escape from the labor-intensive path which had held the British manufacturing sector in its grasp throughout the nineteenth century, challenging the traditional technological lock-in hypothesis that has commonly been invoked in the literature.

On a personal note, as a first-time visitor to this city (or country for that matter) I took the opportunity to soak up some of its culture and visit a number of the main tourist attractions in the general vicinity of the university – an experience which I thoroughly enjoyed and will not easily forget. I can therefore wholeheartedly advise visiting scholars to enjoy the inviting and cosmopolitan atmosphere here in Tokyo. Lastly, I would like to take this opportunity to express my gratitude to Professor Fukao for hosting my stay here at Hitotsubashi University and thank all those who helped make my visit so enlightening and enjoyable.

* PRIMCED is a research project on “Poverty Reduction, Institutions, Markets and Policies in Developing Countries: Toward a Theory of Comparative Economic Development” at the Institute of Economic Research financed by a Ministry of Education, Culture, Sports, Science and Technology Grant-in-Aid for Scientific Research (S).

- No. 240 (September 2012) Eiji Satoh, "Consolidation and Scale Economies in the Japanese Sewerage Industry."
- No. 241 (September 2012) Asuka Takeuchi-Nogimori, "An Empirical Analysis of the Nikkei 225 Put Options Using Realized GARCH Models."
- No. 242 (September 2012) Makoto Takahashi, Yasuhiro Omori, and Toshiaki Watanabe, "News Impact Curve for Stochastic Volatility Models."
- No. 243 (September 2012) Ken Yamada and Daiji Kawaguchi, "Changing Unchanged Inequality: Higher Education, Youth Population, and the Japanese Seniority Wage System."
- No. 244 (October 2012) Hiroshi Sato and Sai Ding, "Ethnicity and Income in China: The Case of Ningxia."
- No. 245 (October 2012) Kazuko Kano, Takashi Kano, and Kazutaka Takechi, "Exaggerated Death of Distance: Revisiting Distance Effects on Regional Price Dispersions."
- No. 246 (October 2012) Kazuko Kano, Takashi Kano, and Kazutaka Takechi, "The Price of Distance: Producer Heterogeneity, Pricing to Market, and Geographic Barriers."
- No. 247 (October 2012) Kasahara Hiroyuki and Shimotsu Katsumi, "Nonparametric Identification and Estimation of the Number of Components in Multivariate Mixtures."
- No. 248 (October 2012) Hiroaki Chigira and Tsunemasa Shiba, "Dirichlet Prior for Estimating Unknown Regression Error Heteroscedasticity."
- No. 249 (October 2012) Yohei Yamamoto, "Bootstrap Inference for Impulse Response Functions in Factor-Augmented Vector Autoregressions."
- No. 250 (October 2012) Yohei Yamamoto and Pierre Perron, "Estimating and Testing Multiple Structural Changes in Linear Models Using Band Spectral Regressions."
- No. 251 (November 2012) Max Meulemann, Martin Uebele, and Bernd Wilfling, "The Restoration of the Gold Standard after the US Civil War: A Volatility Analysis."
- No. 252 (November 2012) Hui-min Lai, "The Economic Significance of the Imperial Household Department in the Qianlong Period."
- No. 253 (November 2012) Myung Soo Cha, "Wage Convergence and Divergence in East Asia, 1900-39."
- No. 254 (November 2012) Kaixiang Peng, "Rationality, Market and Rural Credit: Case of Fude Association."
- No. 255 (November 2012) Eiji Ogawa and Zhiqian Wang, "The AMU Deviation Indicators Based on the Purchasing Power Parity and Adjusted by the Balassa-Samuelson Effect."
- No. 256 (November 2012) Eiji Kurozumi, Daisuke Yamazaki, and Kaddour Hadri, "Covariate Unit Root Test for Cross-Sectionally Dependent Panel Data."
- No. 257 (November 2012) Yuko Mori, "Voter Turnout and the Principle of "One Person, One Vote": Empirical Evidence from the Constituency Freeze in India."
- No. 258 (November 2012) Pierre Perron and Yohei Yamamoto, "On the Usefulness or Lack Thereof of Optimality Criteria for Structural Change Tests."
- No. 259 (November 2012) Kasahara Hiroyuki and Shimotsu Katsumi, "Testing the Number of Components in Finite Mixture Models."
- No. 260 (November 2012) Hiroyuki Okamuro and Kenta Ikeuchi, "Work-life Balance and Gender Differences in Self-employment Income during the Start-up Stage in Japan."
- No. 261 (November 2012) Hiroyuki Okamuro and Kenta Ikeuchi, "Who Is Willing to Continue Business Start-up? An Empirical Analysis on the Founders' Willingness Based on Anonymous Micro Data of the 'Employment Status Survey'" (in Japanese).
- No. 262 (November 2012) Takashi Kurosaki and Kyosuke Kurita, "Consumption Inequality and the Age of Household Heads in Developing Countries: A Comparative Study of Thailand, India, and Pakistan" (in Japanese).
- No. 263 (December 2012) Kazuko Kano, "Menu Costs and Dynamic Duopoly."
- No. 264 (December 2012) Andras Fulop, Junye Li, and

- Jun Yu, "Investigating Impacts of Self-Exciting Jumps in Returns and Volatility: A Bayesian Learning Approach."
- No. 265 (December 2012) Kawaguchi Daiji and Haruko Noguchi, "Low Birth Weight: Its Causes and Consequences" (in Japanese).
- No. 266 (December 2012) Torben G. Andersen, Nicola Fusari, and Viktor Todorov, "Parametric Inference and Dynamic State Recovery from Option Panels."
- No. 267 (December 2012) Kyoji Fukao and Tangjun Yuan, "China's Economic Growth, Structural Change and the Lewisian Turning Point."
- No. 268 (December 2012) Jean Jacod and Mark Podolskij, "A Test for the Rank of the Volatility Process: The Random Perturbation Approach."
- No. 269 (December 2012) Peter Reinhard Hansen, Asger Lunde, and Valeri Voev, "Realized Beta GARCH: A Multivariate GARCH Model with Realized Measures of Volatility and Covolatility."
- No. 270 (January 2013) Jun-Hyung Ko and Hiroshi Morita, "Regime Switches in Japanese Fiscal Policy: Markov-Switching VAR Approach."
- No. 271 (January 2013) Daiji Kawaguchi, "Fewer School Days, More Inequality."
- No. 272 (January 2013) Hiroshi Kato, Haruka Usuki, and Erina Iwasaki, "Urban Society of Amman - Report of the Amman Household Survey 2008" (in Japanese).
- No. 273 (January 2013) Masato Ubukata and Toshiaki Watanabe, "Pricing Nikkei 225 Options Using Realized Volatility."
- No. 274 (January 2013) Yukinobu Kitamura, "Value Added Tax Revisited: Toward a Reasonable Consumption Tax Reform in Japan" (in Japanese).
- No. 275 (January 2013) Shintaro Yamaguchi, "Changes in Returns to Task-Specific Skills and Gender Wage Gap."
- No. 276 (January 2013) Yuta Koike, "Limit Theorems for the Pre-averaged Hayashi-Yoshida Estimator with Random Sampling."
- No. 277 (January 2013) Hiroshi Morita, "External Shocks and Japanese Business Cycles: Evidence from a Sign-Restricted VAR."
- No. 278 (January 2013) Yukinobu Kitamura, "Human Growth Pattern: Observations from the Longitudinal Survey of Babies in 21st Century in Japan" (in Japanese).
- No. 279 (February 2013) Dukpa Kim and Yohei Yamamoto, "Time Instability of the U.S. Monetary System: Multiple Break Tests and Reduced Rank TVP VAR."
- No. 280 (February 2013) Yohei Yamamoto, "Forecasting with Non-spurious Factors in U.S. Macroeconomic Time Series."
- No. 281 (February 2013) Kei Nanamiya, "Modelling for the Wavelet Coefficients of ARFIMA Processes."
- No. 282 (March 2013) Yuko Mori, "Empirical Analysis of Elections and Voting Behavior in India" (in Japanese).
- No. 283 (March 2013) Dmitry Didenko, Péter Földvári, and Bas van Leeuwen, "Inspiration and Perspiration Factors in Economic Growth: The Former Soviet Union Area versus China (ca. 1920-2010)."
- No. 284 (March 2013) Tuan-Hwee Sng and Chiaki Moriguchi, "Taxation and Public Goods Provision in China and Japan before 1850."
- No. 285 (March 2013) Seungjin Han and Shintaro Yamaguchi, "Compensating Wage Differentials in Stable Job Matching Equilibrium."
- No. 286 (March 2013) Yuko Mori, "More Political Parties, More Redistribution? Empirical Evidence from State Governments in India."
- No. 287 (March 2013) Mieko Fujisawa, "Using Volume Measurement for Measuring Health Care in the SNA" (in Japanese).
- No. 288 (March 2013) Takuya Yamamoto and Takeshi Sakurai, "FDI Spillover Effects in the Food Industry in Asian Countries" (in Japanese).
- No. 289 (March 2013) Yosuke Okada and Takahito Kushi, "Government-Sponsored Cooperative Research in Japan: Case Study of the Organization for Pharmaceutical Safety and Research (OPSR) Program" (in Japanese).
- No. 290 (March 2013) Kazuya Kikuchi, "On the

Realizability of Social Preferences in Three-Party Parliamentary Democracies.”

No. 291 (March 2013) Norifumi Yukutake, “The Effects of the Property Tax Break for Newly-Built Houses on Housing Investments in Tokyo” (in Japanese).

No. 292 (March 2013) Ichihiro Uesugi and Taisuke

Uchino, “The Effects of a Megabank Merger on Firm-Bank Relationships and Borrowing Costs” (in Japanese).

Global COE Hi-Stat Discussion Paper Series

<http://gcoe.ier.hit-u.ac.jp/english/research/discussion/index.html>

Seminars and Conferences (August 2012—March 2013)

301st (August 8, 2012)

Summer Workshop on Economic Theory (International Economics) held at Otaru University of Commerce

302nd (August 24, 2012)

Hitotsubashi GCOE Conference on Choice, Games, and Welfare: Frontiers in Microeconomic Theory co-organized with the Center for Research on Contemporary Economic Systems

303rd (August 30-September 2, 2012)

The 2nd Summer School on Analytical Political Economy: Equality and Welfare co-organized with the Center for Research on Contemporary Economic Systems

Reiko Goto (Ritsumeikan University), Takao Sasaki (Hokusei Gakuen University), Naoki Yoshihara (Hitotsubashi University), Toru Maruyama (Keio University), Hiroyuki Yoshida (Nihon University), Yoshiyasu Ono (Osaka University), Takashi Ono (Ritsumeikan University), and Hiroaki Sasaki (Kyoto University)

304th (September 13-15, 2012)

2012 Asian Historical Economics Conference (AHEC) co-organized with the Economic History Society; Centre for Global Economic History, Utrecht University; Center for Economic Institutions, Institute of Economic Research, Hitotsubashi University; Grant-in-Aid for Scientific Research (S) project “Poverty Reduction, Institutions, Markets and

Policies in Developing Countries: Toward a Theory of Comparative Economic Development” (PRIMCED); the Kambayashi Scholarship Foundation; and the Historical Patterns of Development and Underdevelopment: Origins and Persistence of the Great Divergence (HI-POD)

305th (September 18, 2012)

Economic Statistics Workshop Ruijun Bu (The University of Liverpool), “A Semiparametric Diffusion Model Based on Reducible Stochastic Differential Equations and Pseudo Maximum Likelihood Estimation”

306th (October 2, 2012)

Global COE Seminar co-organized with the Workshop on International Trade and FDI, the Center for Research on Contemporary Economic Systems, the Industrial Organization and Labor Economics Workshop, the Macroeconomics and Finance Workshop, and the International Exchange Seminar Avinash Dixit (Princeton University), “Reciprocal Insurance among Kenyan Pastoralists”

307th (October 4, 2012)

46th Global COE Research Workshop Yuki Onozuka (Hitotsubashi University), “Illusive Improvement: Gender Wage Gap and Sample Selection in Japan”

308th (October 5, 2012)

Economic Statistics Workshop co-organized with the Grant-in-Aid for Scientific

- Research (A) project on “Econometric Analysis of Macroeconomic Policy under the Financial Crisis” and the International Exchange Seminar
Chang-Jin Kim (University of Washington, Korea University), “A Markov-Switching Dynamic Factor Model of the Business Cycle with Evolving Regime-specific Mean Growth Rate”
309th (October 16, 2012)
Industrial Organization and Labor Economics Workshop
Hitoshi Mitsuhashi (Keio University), “Embeddedness as a Catalyst for Sub-optimized Resource Matching in Alliance Networks”
310th (October 23, 2012)
Industrial Organization and Labor Economics Workshop
co-organized with the Macroeconomics and Finance Workshop
Masaru Sasaki (Osaka University), “Measuring the Long-Lasting Impact of the Natural Disasters: A Case of the 1995 Hanshin-Awaji Earthquake”
311th (October 23, 2012)
Workshop on International Trade and FDI
co-organized with the Center for Research on Contemporary Economic Systems
James Markusen (University of Colorado Boulder), “Per-Capita Income as a Determinant of International Economic and Environmental Policies”
312th (October 30, 2012)
Workshop on International Trade and FDI
co-organized with the Center for Research on Contemporary Economic Systems and the International Exchange Seminar
Nicola Coniglio (University of Bari), “Climate Variability and International Migration: What Are the Links?”
313th (November 2, 2012)
Economic Statistics Workshop
Roberto Leon-Gonzalez (National Graduate Institute for Policy Studies), “Fat-Tailed Gamma Autoregressive Processes for Stochastic Volatility with Jumps”
314th (November 6, 2012)
Industrial Organization and Labor Economics Workshop
co-organized with the Contract Theory Workshop East (CTWE)
Claude Menard (Université de Paris, Pantheon-Sorbonne), “Plural Forms of Organization: Where Do We Stand?”
315th (November 8, 2012)
47th Global COE Research Workshop
Kazuhito Higa (Hitotsubashi University), “Estimating Upward Bias in the Japanese CPI Using the Engel's Law”
316th (November 13, 2012)
Industrial Organization and Labor Economics Workshop
Kozo Kiyota (Yokohama National University), “Product and Labor Market Imperfections and Scale Economies: Micro-evidence on France, Japan and the Netherlands” (with Sabien Dobbelaere and Jacques Mairesse)
317th (November 15, 2012)
48th Global COE Research Workshop
Yawen Sun (Hitotsubashi University), “The Relationship between Smoking Behavior and Wages: An Analysis Using Panel Data” (in Japanese)
318th (November 16-18, 2012)
The Third International Conference “High-Frequency Data Analysis in Financial Markets”
co-organized with the Hitotsubashi University Research Project “Economic Analysis of Financial Crisis, Disaster, and Globalization Using Large-Scale and High-Frequency Data,” FY2012 Joint Usage/Research Center Project “Econometric Analysis of the Microstructure and Volatility in Financial Markets Using High-Frequency Data,” Hiroshima University of Economics Grant-in-Aid for Scientific Research (B) project on “Development of a Progress Model in Financial Time Series and Statistical Inference,” and Hiroshima University

- Torben Andersen (Northwestern University), Peter Hansen (European University Institute), Siem Jan Koopman (VU University Amsterdam), Mark Podolskij (Heidelberg University), Almut Veraart (Imperial College London), Jun Yu (Singapore Management University), and others
- 319th (November 17-18, 2012)
7th Applied Econometrics Conference
co-organized with the Osaka University Global COE Program “Human Behavior and Socioeconomic Dynamics”
- 320th (November 20, 2012)
Workshop on International Trade and FDI
co-organized with the Center for Research on Contemporary Economic Systems
Ayumu Tanaka (Research Institute of Economy, Trade and Industry), “The Effects of FDI on Domestic Employment and Workforce Composition”
- 321st (November 22, 2012)
49th Global COE Research Workshop
Geert Schreurs (Hitotsubashi University), “Economic Growth in Early Modern Japan—Measurement and International Comparison”
- 322nd (November 23-24, 2012)
Workshop on Analytical Political Economy in Japan
co-organized with the Center for Research on Contemporary Economic Systems and the International Exchange Seminar
Kazuhiro Kurose (Tohoku University / Institute of Economic Theory and Quantitative Methods, Università Cattolica del Sacro Cuore), Nanako Fujita (Nagoya City University), and Shinya Fujita (Nagoya University)
- 323rd (November 27, 2012)
Industrial Organization and Labor Economics Workshop
Takashi Unayama (Hitotsubashi University), “The Tendency to Stay Single and Gender Wage Gap in Japan” (in Japanese)
- 324th (November 29, 2012)
50th Global COE Research Workshop
Kazuya Kikuchi (Hitotsubashi University), “Feasible Social Choices in Three-Party Systems”
- 325th (December 4, 2012)
Workshop on International Trade and FDI
Tomohiko Inui (Nihon University), “Bank’s Role as an Information Provider for Exports: Evidence from Listed and Unlisted Firm Data” (with Keiko Ito and Daisuke Miyakawa)
- 326th (December 8-9, 2012)
Hitotsubashi G-COE Conference on International Trade and FDI 2012
co-organized with the Center for Research on Contemporary Economic Systems
Richard Baldwin (Graduate Institute of International and Development Studies), Andrew Bernard (Dartmouth College), Thomas Chaney (Toulouse School of Economics), Pao-Li Chang (Singapore Management University), Taiji Furusawa (Hitotsubashi University), Amit Khandelwal (Columbia University), James Markusen (University of Colorado Boulder), Kiminori Matsuyama (Northwestern University), Thierry Mayer (Sciences Po), Hiroshi Mukunoki (Gakushuin University), Peter Schott (Yale University), Yoichi Sugita (Stockholm School of Economics), Heiwai Tang (Tufts University), and Jonathan Vogel (Columbia University)
- 327th (December 13, 2012)
51st Global COE Research Workshop
Masanori Takashima (Hitotsubashi University), “Rural Industry in the Late Tokugawa and Early Meiji Japan: Analysis of Demographic and Production Data”
- 328th (December 14, 2012)
Open Forum: What’s the Use of Economics?
co-organized with Hitotsubashi University Policy Forum
Yukinobu Kitamura (Hitotsubashi University), Kyoji Fukao (Hitotsubashi University), Yasuyuki Sawada (University of Tokyo), Daiji Kawaguchi (Hitotsubashi University), Tamotsu Nishizawa (Hitotsubashi University), Kotaro Suzumura (Waseda University / Hitotsubashi University), and Hideshi Ito

- (Hitotsubashi University)
329th (December 17-18, 2012)
Workshop on Intangibles, Innovation Policy and Economic Growth
co-organized with the Research Institute of Economy, Trade and Industry (RIETI) and the Gakushuin University Grant-in-Aid for Scientific Research (S) project “Empirical Research on Intangible Investment in Japan (ERII)
Ahmed Bounfour (University of Paris-South), Kyoji Fukao (Hitotsubashi University), Keun Lee (Seoul National University), Tsutomu Miyagawa (Gakushuin University), and others
- 330th (December 18, 2012)
Industrial Organization and Labor Economics Workshop
co-organized with the International Exchange Seminar
Niclas Ruffer (University of Mannheim), “The Enrolment in an R&D Subsidy Program for SMEs: Evidence from South-West Germany”
- 331st (December 19, 2012)
12th Panel Survey Conference
co-organized with the Institute for Research on Household Economics, the Global COE Programs of Keio University and Osaka University, and the Institute of Social Science at the University of Tokyo
- 332nd (January 12-13, 2013)
Hitotsubashi Conference on Econometrics 2013
co-organized with the *Kansai Keiryō Keizaigaku Kenkyukai* [Kansai Econometric Society] and the Quantitative Economics and Policy Analysis Working Group, Science Council of Japan
- 333rd (January 15, 2013)
Workshop on International Trade and FDI
Tran Lam Anh Duong (Hitotsubashi University), “An Analysis of Changes in Wealth Distribution, Credit Transition and Development upon the Entrance of Foreign Direct Investment Firms”
- 334th (January 15, 2013)
Industrial Organization and Labor Economics Workshop
Kazuki Onji (Australian National University), “Who Participates in Corporate Income Tax Consolidation? Evidence from Japan”
- 335th (January 29, 2013)
One-day Trade Workshop
co-organized with the Center for Research on Contemporary Economic Systems and the International Exchange Seminar
Tomohiro Ara (Fukushima University), Jay Pil Choi (Michigan State University), Isao Kamata (University of Wisconsin-Madison), and Keith Maskus (University of Colorado Boulder)
- 336th (February 5, 2013)
Research Workshop “Econometric Analysis of the Microstructure and Volatility in Financial Markets Using High-Frequency Data”
co-organized with the Hitotsubashi University FY2012 Joint Usage/Research Center Project “Econometric Analysis of the Microstructure and Volatility in Financial Markets Using High-Frequency Data” and the Hitotsubashi University Research Project “Economic Analysis of Financial Crisis, Disaster, and Globalization Using Large-Scale and High-Frequency Data”
- 337th (February 8, 2013)
Global COE Seminar
Manabu Nose (The World Bank), “Micro Responses to Disaster Relief Aid”
- 338th (February 14, 2013)
One-day Workshop on International Trade and Industrial Organization
Kaz Miyagiwa (Florida International University), “Size Matters: Who is Bashing Whom in Trade Wars?”
Arghya Ghosh (University of New South Wales), “Trade Liberalization and IPR Protection with Endogenous Absorptive Capacity”
Hodaka Morita (University of New South Wales), “Choice of Product Architecture, Product Quality, and Intra-Firm Coordination: Theory and Evidence”
- 339th (February 21, 2013)
Global COE Hi-Stat Seminar

- co-organized with the Workshop on Economic Theory and the Global Leaders Seminar
Danielle Catambay (University of Pennsylvania),
"Choice in the Context of Reference Points"
340th (March 1-3, 2013)
International Conference "Frontiers in Macroeconometrics"
co-organized with the Grant-in-Aid for Scientific Research project on "Econometric Analysis of Macroeconomic Policy under Financial Crisis" and the Hitotsubashi University Research Project "Economic Analysis of Financial Crisis, Disaster, and Globalization Using Large-Scale and High-Frequency Data"
Gianni Amisano (ECB), Sungbae An (Singapore Management University), Francesco Bianchi (Duke University), Ippei Fujiwara (Australian National University), Kyuho Kang (Korea University), Munechika Katayama (Louisiana State University), Jae-Young Kim (Seoul National University), Jinill Kim (Korea University), Soyoung Kim (Seoul National University), James Morley (The University of New South Wales), Rodney Strachan (Australian National University), Woong Yong Park (University of Hong Kong), and Jun Yu (Singapore Management University)
341st (March 5, 2013)
5th Meeting for the Global COE Hi-Stat Program
342nd (March 9, 2013)
Winter International Trade Seminar
held at Otaru University of Commerce
343rd (March 14, 2013)
Hitotsubashi One-day Trade Workshop
co-organized with the International Exchange Seminar
Rodney Falvey (Bond University), Yan Ma (Kobe University), and Morihiro Yomogida (Vanderbilt University)
344th (March 15, 2013)
Economic Development Workshop
co-organized with the Center for Economic Institutions, Institute of Economic Research
Pieter Woltjer (University of Groningen),
"Declinism vs Americanism: Transatlantic Technology Transfer during the Early Twentieth Century"
345th (March 19, 2013)
International Workshop "The Possibilities and Limitations of Social Surveys in Study on Arab Societies: Perspectives on the Arab Spring"
Ikhlas Al Aranki (Department of Statistics, The Hashemite Kingdom of Jordan) and others
346th (March 19, 20, 2013)
G-COE International Conference on Equality and Welfare 2013
co-organized with the Center for Research on Contemporary Economic Systems and the International Exchange Seminar
Geir B. Asheim (University of Oslo), Michele Lombardi (University of Glasgow), Hitoshi Matsushima (University of Tokyo), John E. Roemer (Yale University), Tatsuyoshi Saijo (Osaka University), Shin Sato (Fukuoka University), Arunava Sen (Indian Statistical Institute), William Thomson (University of Rochester), Yongsheng Xu (Georgia State University), and Naoki Yoshihara (Hitotsubashi University)
347th (March 18 and March 21, 2013)
G-COE Lectures on Social Choice and Welfare 2013
Yongsheng Xu (Georgia State University),
"Measuring Deprivation and Living Standards in a Multi-dimensional Framework," and William Thomson (University of Rochester), "Axiomatic Analysis of Resource Allocation Rules I: Time Division," "Axiomatic Analysis of Resource Allocation Rules II: Division Problems with Single-Peaked Preferences"
348th (March 22, 2013)
Global COE Lecture
Peter Hammond (University of Warwick), "Social Choice and Individual Well-being: What Data Might Be Relevant?"
349th (March 22, 2013)
International Workshop "Statistical System and the State of Statistics in Jordan"
Ikhlas Al Aranki (Department of Statistics, The

Hashemite Kingdom of Jordan), Yoshiyuki Kitazawa (Kyoto Sangyo University), Erina Iwasaki (Kyoritsu Women's University), and Hiroshi Kato (Hitotsubashi University)

Past Seminars

http://gcoe.ier.hit-u.ac.jp/english/events/past_seminars/index.html

Awards

Japan Statistical Society Research Achievement Prize

Prof. Toshiaki Watanabe, Program Member of the Global COE Hi-Stat Program, and Prof. Yasuhiro Omori (University of Tokyo), COE Visiting Scholar, jointly received the 6th Research Achievement Prize from the Japan Statistical Society. They delivered a presentation titled "A Realized Stochastic Volatility Model: Simultaneous Modeling of the Daily Return and

Realized Volatility" at the commendation ceremony on September 10.

55th Nikkei Economics Book Award

Prof. Kyoji Fukao, Leader of the Global COE Hi-Stat Program, won the 55th (2012) Nikkei Economics Book Award for his book, *The Structural Causes of Japan's "Two Lost Decades": Forging a New Growth Strategy* (in Japanese, Nikkei Publishing Inc., 2012).

Ph.D. Conferments (Economics, Hitotsubashi University, FY2012)

Underlined Chief Supervisors are G-COE Hi-Stat Program Members.

Jun-Hyung Ko

Dissertation Title: "Essays on Macroeconomic Fluctuations and Optimal Monetary Policy"

Date of Award: April 27, 2012

Chief Supervisor: Naohito Abe

Tetsushi Murao (FY2008 Research Assistant, FY2010-2011 COE Young Researcher)

Dissertation Title: "*Bumon-kan kigyo-kan no shigen sai-haibun to seisan-sei*" [Resource Reallocation among Firms and Divisions and Productivity]

Date of Award: April 27, 2012

Chief Supervisor: Takashi Kurosaki

Tomoko Iwasa

Dissertation Title: "*Nihon kigyo ni yoru kaigai kenkyu kaihatsu katsudo to gijutsu chishiki sohshingū*" [The Role of Overseas R&D Activities in Technological Knowledge Sourcing: An Empirical Study of Japanese Firms]

Date of Award: May 31, 2012

Chief Supervisor: Kyoji Fukao

*The original title of the dissertation in Japanese is given italics. The title in square brackets is a provisional translation by the editorial team of the *Global COE Hi-Stat Newsletter*.



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