

# CIRJE Newsletter

Center for International Research on the Japanese Economy

No.22

April 2021

Center for  
International Research on the  
Japanese Economy (CIRJE)  
Graduate School of Economics,  
Faculty of Economics  
The University of Tokyo

## CIRJE Workshop Report

The Center offers 14 workshops run mainly by the faculty members of the Graduate School of Economics. In an effort to prevent the spread of COVID-19, most CIRJE workshops and seminars were held online last academic year. In this issue, three leaders of the workshops report the efforts during this challenging period.

### Microeconomics Workshop

Institute of Social Science  
Ryuichi Tanaka



The Microeconomics Workshop is held regularly, approximately once a week, under the auspices of the Center for International Research on the Japanese Economy (CIRJE). The workshop gathers outstanding research results from Japan and abroad, focusing on microeconomics and applied theoretical and empirical research, and provides opportunities for reporting and exchange of opinions. The themes of the workshop are broad, and include faculty members, graduate students, and researchers from Japan and abroad who are interested in game theory, the economics of incentives, mechanism design, international trade and applied empirical microeconomic analysis such as labor economics and industrial organization. The workshop participants include not only faculty and graduate students of the Graduate School of Economics, but also researchers from the Institute of Social Science and the Graduate School of Public Policy. The schedule of the Microeconomics Workshop is posted on the CIRJE website. Each workshop is generally held on Tuesdays from 10:25 to 12:10, with a 105-minute presentation by an external researcher. Each session is attended by about 20 to 30 participants, and a lively exchange of opinions takes place each time. This year, Professor Ayako Kondo and I (Institute of Social Science), Professor Taiji Furusawa and Professor Yasutora Watanabe (Graduate School of Economics) were in charge of this workshop.

This year, due to the effects of the COVID-19, we were not able to hold face-to-face workshops, and all workshops were held online using zoom. In the beginning, we had some difficulties in getting used to the system, but on the other hand, the online format had a positive aspect in that we had more presenters from overseas and participants from outside the university than in previous years. In addition, by co-hosting the Applied Economics Workshop with the National University of Taiwan, the National University of Singapore, and the Hong Kong University of Science and Technology, as well as the workshops at the Tokyo Labor Economics Workshop and the University of Tokyo's Market Design Center, we had more opportunities than usual to come into contact with excellent research results. After the workshop, we had an online lunch session, where we were able to actively exchange opinions not only on the content of the presentations but also on various topics other than research, such as the situation in various regions due to the COVID-19 disaster. Not only faculty members and students from the University of Tokyo, but also researchers from other institutions are welcome to attend. If you are interested, please join us.

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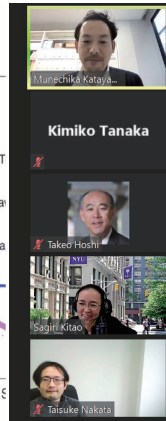
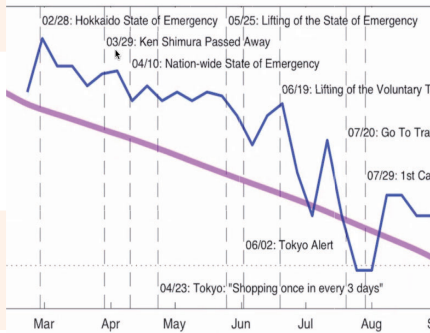
# Macroeconomics Workshop



Sagiri Kitao

In this workshop, researchers present their research in the field of macroeconomics and participants share the latest research results and are engaged in lively discussions. In year 2020, we held an online workshop using Zoom because face-to-face research activities were restricted due to the COVID-19. In cooperation with the CIRJE staff, we succeeded in seamlessly transitioning to online seminar series, and were able to maintain the same level and quality of presentations and discussions as face-to-face workshops. Every year, not

## Reception in Japan (Preliminary)



only faculty members of the Graduate School of Economics of our university, but also graduate students, researchers of universities, research institutions, and government offices in the Greater Tokyo Area participate in the workshop. This year, in addition to these regular members, we had active participation of researchers from outside the metropolitan area and overseas.

This year, Professor Taisuke Nakata, Professor Makoto Nirei and I were in charge of the workshop. It was one of the great merits of going online that we were able to invite speakers to present via Zoom, when it became difficult for overseas researchers to travel to Japan due to the COVID-19. This year, economists from the United States, Canada, China, Australia, etc. made presentations in workshops. Instead of the usual face-to-face individual meetings and gatherings, an informal online meeting was held, where the presenter and

participants had an opportunity for further discussion of the research paper and for more informal interaction, which is an essential part of regular workshops.

This year's workshops covered presentations on a wide range of topics, with a focus on theoretical analysis using macroeconomic models. Topics included analysis of the macroeconomic impact of the COVID-19 crisis, theoretical and empirical analysis of monetary policy under zero lower bound (ZLB) of interest rates, investigation of physical and cognitive health on retirement behavior and social security

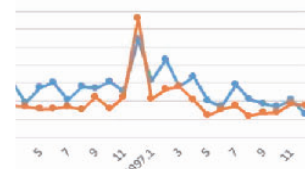
# Applied Statistics Workshop

## Applied Statistics Workshop Organizers

This workshop comprises the University of Tokyo faculty members and graduate students as well as researchers from Japan who have an interest in theoretical and applied statistics and econometrics, as well as in Bayesian analysis, computational methods, financial time series, spatio-temporal statistics and official statistics. The University of Tokyo faculty members participating regularly include members of Graduate School of Economics and Center for Spatial Information Science, The University of Tokyo.

Usually, the workshop is held every two weeks, and an external invited speaker gives a 105-minute research presentation, followed by a wide-ranging discussion. This year, the seven talks in the summer semester were canceled due to COVID-19. In the fall semester, however, the nine talks were given online. Approximately 20 to 30 people attend each session.

The primary focus of this workshop is to bring together the regular members, graduate students and invited researchers for knowledge sharing of recent developments in various research projects. Especially, the research presentations give graduate students some useful and helpful knowledge and impact on research. The topics presented this year include the bootstrap methods for analyzing spatio-temporal data, the Dantzig selector for statistical models of stochastic processes in high-dimensional and sparse settings, Bayesian dynamic fused lasso for variable selection in time series analysis, foundations on Bayesian predictive synthesis, statistical procedures for directional data, the theory of deep learning, spatio-temporal ARMA models, variable selection in linear mixed models, and the Stein problem in estimation of a mean vector. Of these, the last speaker in the workshop made a great impact on most participants, because he succeeded in solving an open problem in statistical decision theory through his twenty-five-years effort.



mean	RW	AR	MA
52.4	52.0	40.3	44.7



# CIRJE Visitors

CIRJE accepts many visitors with a wide range of research interests to facilitate interaction with our faculty members. Here are two reports from the researchers who visited CIRJE last academic year.

## Visiting Professor

Department of Economics, Northwestern University, USA  
**Bruno Strulovici**  
(2020.7.8 - 7.20)



I visited CIRJE in parts of spring and summer 2020, in the middle of the COVID-19 pandemic. I felt fortunate to be in Japan when the pandemic was especially severe in the United States and Europe. The visit started remotely but I could spend the second part of the visit on campus. This was an opportunity to engage in stimulating one-on-one meetings with several faculty members, students, and visitors from CIRJE and the Graduate School of Economics. Being able to work in CIRJE's visitor office, in superb conditions, was most helpful and appreciable. In addition my host Aki Matsui and other faculty members who made themselves available in this difficult time, I am most grateful to CIRJE's administrators, who went out of their way to make my visit pleasant and successful. Being in Tokyo was also a great opportunity to bike and enjoy some of the beautiful rivers and parks of the city.



My research during this period focused on two main themes (i) law and economics, and (ii) the role of ethical behavior for the functioning of institutions. For the first theme, I worked on applying and furthering the tools of mechanism design for the purpose

of analyzing legal systems from a modern economic perspective. For the second theme, I developed several models of institutions enforcement, which aim to demonstrate the major challenge of designing successful institutions when agents are non-ethical.

This was an inspiring and productive visit, and I am most grateful to CIRJE faculty and administrators for hosting me.

## Short Term Visitor

School of Economics, University of Nottingham, UK  
**Atsuyoshi Morozumi**  
(2020.7.22 - 9.11)

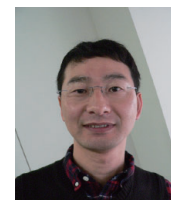


During the summer 2020, I had the pleasure of visiting CIRJE, at the invitation of Professor Shun-ichiro Bessho. The main aim of the visit was to make a progress in the research on the effects of school autonomy in budget allocation on students' education outcomes. This is joint work with Professors Shun-ichiro Bessho and Ryuichi Tanaka. The visit was somewhat not straightforward due to Covid-19 pandemic. Still, thanks to the CIRJE staff, I had a fruitful research time during my visit. Thank you very much, Tanaka san and Ogawa san.

The research uses student-level data from Japan's national standardized assessment called National Assessment of Academic Ability. The data is an administrative data, available upon the official request to the Ministry of Education, Culture, Sports, Science and Technology, Japan. We investigate empirically how school autonomy interacts with school accountability and school principals' leadership to influence various student outcomes such as test scores and non-cognitive skills. Ultimately, our aim is to provide empirical evidence in education to promote EBPM (evidence-based policy making) in Japan. During my visit, I also had a chance to present my other work at the Public Finance workshop and discuss with other professors at the university. Talking to them was really inspiring, which made my visit even more fruitful. Last, but not least, let me add my special thanks to the Nomura Foundation for their very generous financial support.

# New CIRJE Director: Professor Kosuke Aoki

From April 1, 2021, Professor Kosuke Aoki has taken office as Director of the Center for International Research on the Japanese Economy. Professor Aoki's specialization is macroeconomics. Since 2011, he has served in Graduate School of Economics, Faculty of Economics, the University of Tokyo.



## CIRJE Discussion Paper Series

<http://www.cirje.e.u-tokyo.ac.jp/research/03research02dp.html>

As a part of our research activities, we regularly circulate two series of Discussion Papers, in Japanese (J-series) and foreign languages (F-series), which are available for download at the CIRJE website. From April 2020 to March 2021, 2 papers in J-series and 14 papers in F-series are published.

## Visitors

One of the major tasks of CIRJE has been to facilitate interaction with visitors from abroad. We welcomed many distinguished visitors with a broad range of research interests. Below is the list of them last academic year.

### Visiting Professor

- Bruno Strulovici (2020.5.18 - 7.7)  
Department of Economics, Northwestern University, USA

### Visiting Assistant Professor

- Yuta Takahashi (2020.4.1 - 2021.3.31)  
Institute of Economic Research, Hitotsubashi University, Japan

### Short Term Visitors

- Bruno Strulovici (2020.7.8 - 7.20)  
Department of Economics, Northwestern University, USA

- Shunya Noda (2020.7.13 - 8.7)  
Vancouver School of Economics, The University of British Columbia, Canada
- Yuzuru Kumon (2020.7.14 - 8.31)  
Department of Social and Political Sciences, Bocconi University, Italy
- Atsuyoshi Morozumi (2020.7.22 - 9.11)  
\*Short-term visitor supported by Nomura Foundation\*  
School of Economics, University of Nottingham, UK
- Yuichiro Kamada (2020.8.17 - 8.24)  
Haas School of Business, University of California, Berkeley, USA
- Tomomichi Amano (2021.1.10 - 1.28)  
Harvard Business School, USA

## Staff

### Professors



Shin-ichi  
Fukuda



Yasuhiro  
Sato



Katsumi  
Shimotsu



Yoshito  
Takasaki

Kosuke Aoki  
(Director)



### Advisors

Junko Kato (Professor, Graduate Schools for Law and Politics, The University of Tokyo)

Nobuhiro Kiyotaki (Professor, Department of Economics, Princeton University)

Kazuo Nishimura (Specially Appointed Professor, Research Institute for Economics and Business Administration, Kobe University)

Kunio Okina (Professor, Otsuma Women's University)

Hajime Takata (Chairman Of Global Research Center and Executive Economist, Okasan Securities Co., Ltd.)

### Chair

Kosuke Aoki (Director)

### Members

Shinichi Fukuda • Makoto Kasuya • Yasuyuki Sawada  
Katsumi Shimotsu • Masayuki Tanimoto

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