

報告セッション: 賃金・雇用の動学分析

報告論文タイトル:

On the intergenerational sharing of cohort-specific permanent shocks

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Abstract. We investigate the intergenerational sharing of shocks on permanent income of agents who just enter labor markets for the first time, or permanent shocks specific to young agents by both a decentralized allocation mechanism and a policy intervention within a stochastic overlapping generations framework with incomplete markets. We employ non-expected utility preferences to focus on the importance of elasticity of intertemporal substitution. Such cohort-specific permanent shocks cannot be shared effectively even through frequent financial trading among generations in particular in the presence of strong capital demand. We demonstrate that shifting cohort-specific shocks on permanent income from young to old generations by a redistribution policy contributes to enhancing ex-ante welfare relative to the approximated first best allocation.

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