

Summary

Otsuka Hisao⁽¹⁾—A Redefinition of His Theory of Civil Society—

Toshiharu NOZAWA

Otsuka developed a theory of history in the term of productive power and religious ethos of industrial middle class, between the first and second World War. In the paper I aim to re-examine his theory from the point of our experience of high economic growth in Japan and the economic development of the third world after the War.

Before that we shall re-estimate his method. He studied, not known well until now, the history of modern capitalism in West Europe to understand the rise of contemporary Japanese fascism. In addition to that, he employed the comparative history approach between West Europe and Japan. The results were, for example, that he got new ideas of economic structure and management, historical materialism put side by side.

I will hall reconstitute his theory of natural course of economic development. He saw the history of mankind largely from communities to a commercial or civil society. In doing so, he watched that class societies were based on their respective communities or civil society.

At the end we can make a table of Otsuka's theory of history.

Summary

A Simplified Proof for Preservation of the Ordering by Risk Aversion with Background Risks in the Expected Utility Theory

Fumihiko KANEKO

In this paper, I give a simplified proof of Nachman's celebrated result on preserving the ordering by risk aversion over basic utility functions in the expected utility theory.

At first, I prove a lemma that says, if a basic utility function u_1 is more risk averse than a basic utility function u_2 , then, for any randomized initial wealth, the randomized marginal utility measure of u_2 stochastically dominates that of u_1 by the first order. The proof is a simple implication of the famous result that $u_1 = g \circ u_2$ for some increasing concave utility-transformation function g . Then this lemma is used to prove the main theorem that says randomizing initial wealth does not affect the ordering of basic utility function by risk aversion. The proof is a direct implication of the fact that the ARA of the basic utility function with a randomized initial wealth is equal to the expectation of the ARA of the original basic utility function with respect to the randomized marginal utility measure associated with this randomized initial wealth.

Summary

The Verification of the Causal Relation between Company's Behavior and Performance

Kaoru SHIMIZU

We have carried out 10 questionnaire surveys for Japanese companies for 10 years. In each year, we examined the relationship between company's behavior and performance of the year, but stable result was not obtained. In this paper, we newly investigate the causal relation between 2,048 companies' behavior and performance of 10 years. As the result, there are some factors that directly affected the performance and indirectly. The direct factors are product technology, manufacturing technology, and the indirect factors are employee's understanding of top management's vision, challenge spirit.

Summary

Banking and Economic Growth: Causality in Cointegrated Systems for 15 Countries

Masanori AMANO

This paper sets up VAR systems with cointegration relations and error-correction mechanisms for 15 developing countries. Regression results are then used to infer the direction of causality between financial development and real-side development. Our VAR systems show that in six countries, real-side development preceded and caused financial development; in four countries, the causality ran in the opposite direction; two countries exhibited bi-directional causality; and in the remaining three countries, the causal direction was not decided.

Hence our analysis shows that the causal relationship exhibits no regular pattern, in contrast to the results from cross-country regression analyses so far presented. The paper also casts some doubt on the Patrick hypothesis, according to which 'finance→output' causality is followed by 'output→finance' causality in a typical development process.