

HIROKAZU ISHISE

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CURRENT POSITION

Economist (Post-doc position), Institute for Monetary and Economic Studies, Bank of Japan,
September 2010 – present

EDUCATION

Ph.D., Economics, Boston University, Boston MA, May 2010

Dissertation Committee: Marianne Baxter, Robert G. King, and François Gourio

M.A., Economics, University of Tokyo, Tokyo, Japan, 2005

B.A., Social welfare, Tokyo Metropolitan University, Tokyo, Japan, 2003

FIELDS OF INTEREST

Macroeconomics, International Economics

TEACHING EXPERIENCE

Teaching Fellow, Ph.D. Macroeconomics, Department of Economics, Boston University, Fall
2007

Teaching Fellow, Honor's Macroeconomics, Boston University, Spring 2007

Teaching Fellow, Economics of Labor Market, Boston University, Fall 2006

PAST WORK EXPERIENCE

Research Assistant, Professor Marianne Baxter, Boston University, September 2008 – April
2009

Research Assistant, Professor Simon Gilchrist and François Gourio, Boston University, May
2007 – June 2007

Research Assistant, Professor Yasuyuki Sawada, University of Tokyo, April 2005 – July
2005

Research Assistant, Professor Yun Jeong Choi, University of Tokyo, August 2004 – March
2005

FELLOWSHIPS AND AWARDS

Selected to the Western Economic Association International Graduate Student Dissertation
Workshop, July 2009

Summer Research Grant, Boston University, 2009, 2008, 2007

Boston University Teaching Fellowships/ Research Assistantships, Fall 2006 – Spring 2010

Distinction in PhD Qualifying Exam (Macroeconomics), Boston University, 2006

Long-term overseas scholarship, Ministry of Education and Science, Japan, September 2005
– August 2008

PUBLICATIONS PAPERS

Ishise, Hirokazu and Sawada, Yasuyuki (2009) "Aggregate returns to social capital: Estimates based on the augmented augmented-Solow model" *Journal of Macroeconomics*, 31: 376-93.

WORKING PAPERS

"The World Has More Than Two Countries: Implications of Multi-Country International Real Business Cycle Models," May 2011, Submitted.
"Inventory-Theoretic Money Demand and Relative Price Dynamics," (with Nao Sudo), December 2010, Submitted and revision requested.
"Trade Costs and Business Cycle Transmission in a Multi-country, Multi-sector Model," November 2009.

WORK IN PROGRESS

"Supply Chain Network: Through a Lens of a Firm-level Trade Model and Its Estimation for Japanese Automobile Industry" (with Kentaro Nakajima)
"Revisiting the National Border Puzzle" (with Miwa Matsuo)

REFeree EXPERIENCE

Economics Modeling, Japan and the World Economy, Journal of Monetary Economics

CONFERENCES

Econometric Society World Congress, Shanghai, China, 2010
Boston College/ Boston University Greenline Macro Meeting, 2009
Western Economic Association International Graduate Student Dissertation Workshop, Vancouver, Canada, 2009
North American Summer Meeting of the Econometric Society, Boston MA, 2009

LANGUAGES: English (fluent), Japanese (native)

COMPUTER SKILLS: MATLAB, FORTRAN, STATA, LaTeX, Microsoft Office

CITIZENSHIP: JAPAN

REFERENCES

Professor Marianne Baxter
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Boston University
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Professor Robert G. King
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September 2011

HIROKAZU ISHISE

The World Has More Than Two Countries: Implications of Multi-Country International Real Business Cycle Models

The cross-country correlations of international real business cycle models depend critically on the number of countries in the models. A positive productivity shock in one country will stimulate investment in the country that has experienced the shock, while reducing internal investment in the other countries, which will then simultaneously experience a slump. This comovement mechanism is absent in two-country models.

Inventory-Theoretic Money Demand and Relative Price Dynamics

(with Nao Sudo)

We construct a two-goods inventory-theoretic money demand model, and find that the model implies, in a monetary contraction, the decline in the prices of low cash-intensity goods, durables, or luxuries outpaces that of high cash-intensity goods, non-durables, or necessities. Using U.S. data, we show that our model's predictions are consistent with the data.

Trade Costs and Business Cycle Transmission in a Multi-country, Multi-sector Model

This paper analyzes how trade contributes to the international business cycle transmission. I construct a multi-country, multi-sector real business cycle model that is a dynamic stochastic extension of the theoretical gravity equation model (Anderson, 1979). In the model, trade patterns are determined by Ricardian comparative advantage. A productivity shock is transmitted across countries through temporary changes in trade patterns, which are driven by temporary changes in the comparative advantage. Lower trade costs facilitate this transmission effect, leading in turn to higher business cycle comovement. By exploiting the model structure and trade flow data, I estimate exporter- importer- product- year-specific trade costs for 10 single-digit Standard International Trade Classification categories for 21 OECD countries from 1962 to 2000. The cross-sectional variation in the estimated trade costs generates cross-country variations in trade and fluctuations. The model accounts for the data better than typical models in the literature along several dimensions: the variation in bilateral trade, the correlations between output and trade flows, the business cycle comovement across countries, and the association between bilateral trade and comovement. The multiplicity of countries in the model affects the implication of the trade-comovement association. The parameterized model suggests a reduction in trade costs increases the magnitude of comovement, but does not greatly increase volatilities of output and consumption.