

2007/06/03 午後の部 (14:30~16:30)

セッション名 ; 世代重複モデル

## **Endogenous Population, Human Capital and Market Failures**

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### **Abstract**

The main purpose of this paper is to examine the implications of endogenous population and human capital on resource allocations. Using a three-periods overlapping generations model with stock variables of physical capital, population and human capital, we first obtain the structure of shadow prices associated with the optimum resource allocation program resulting from infinite horizon dynamic programming optimization.

We then show that the optimum program can be decentralized provided that appropriate commodities and agents exist in an artificial market economy.

Lastly we shall point out that the implementation of the decentralized scheme would be extremely difficult in an actual economy because appropriate markets for stock variables such as population and human capital might not exist due to the absence of residual claim on these stock variables, the public good aspect of population and myopic perspectives of agents.

These market failures of population and human capital may necessitate public policies to evaluate stock values of population and human capital.

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