

International Public Good Models: Non-Contributors and Contributors *

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January 20, 2010

Abstract

The international public good model has the different productivity of producing the international public good in each country, which was developed by Ihori (1996) and the similar framework of which was followed by Boadway and Hayashi (1999), Kim and Shim (2006) and Andreoni (2007). The main difference from Public Good Models is in this point of different productivity. The other parts of the models are the same as Public Good Models developed by Bergstrom, Blume and Varian (1986,1992). Therefore, (i) the previous research ignore the analysis for the non-contributors in both kinds of models, excluding its appearance by setting assumption. (ii) Ignoring the non-contributors cannot provide parameters on the boundary between non-contributors and contributors, and then they cannot provide the numerical solution for contributors in policy analysis. (iii) The international public good model with the different productivity cannot directly use the proofs in the public good model with the same productivity for itself as seen in Bergstrom, Blume and Varian (1986,1992), as well as the other paper cannot. The purpose of the paper is to analyze the policy effects on the non-contributors and contributors by using international public good models.

Keywords: non-contributors; Ihori model; algorithm; policy effects

JEL Classification Number: H41; F13; D01

* The paper was presented at a seminar in the Helsinki School of Economics (2008), a seminar in the Osaka University's Institute of Social Economic Research (2008), Japanese Economic Association Spring Meeting (2009) and a seminar at Department of Economics in Osaka University (2009). We are very grateful to Kenzo Abe, Juuso Välimäki, Pekka Ilmakunnas, Pertti Haaparanta, Matti Pohjola, Shinsuke Ikeda, Charles Horioka, Katsuya Takii, Nobuo Akai, Mototsugu Fukushima, Hikaru Ogawa, Michi Nishihara, Masamitsu Onishi and participants for their helpful comments. The research of the first author was supported by Grant-in-Aid 20530271 from the Ministry of Education, Culture, Sport, Science and Technology of Japan, 2007 Zengin Foundation and 2007 Japan Economic Research Foundation.

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