



Special Session Proposal

Regional Economy and Human/Capital Mobility

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Abstract

Currently, especially in the developed countries, regional economy strongly depends on the capital and/or labor mobility. Investment will contribute to expand the manufacture sector and create job opportunities. Labor mobility will compensate the decreasing local population which makes it possible to maintain economic performance. Related this topics, we will discuss on the following studies which will be presented in this session.

*Applying extended Copeland and Taylor (1999) model which consider negative externality of pollution emitting industrial sector on environmentally sensitive agricultural sector, we theoretically examine the economic impacts of policies to increase the number of foreign workers in the construction, agriculture, and nursing care sectors, each of which plays a different role in the host regional economy.

*Focusing on Japanese firms' FDI into Poland, we show the parent companies for wholesalers are larger than those for manufacturers in terms of capital stock. We also show that those first established wholesalers and after then manufacture were the largest. Those first established manufacturers and after then wholesalers were the second. Above results are different from Krautheim (2013), a German case study.

*We analyses interregional migration of young people associated with university enrollment using a theoretical framework and empirically examines its primary mechanisms. Universities choose their enrollment quotas, while students choose institutions based on expected utility. This structure enables an endogenous characterization of the medium- to long-term demographic effects of enrollment quota policies through interregional migration.

*Applying a theoretical model in which individuals allocate labor between production and childcare activities and derive utility from consumption and the number of children, in a monopolistic competition framework, we find that childcare support policies that effectively reduce the time cost of child-rearing in densely populated areas can help mitigate regional disparities in fertility rates.