

A letter to the prospective graduate student

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I welcome graduate students interested in studying business and economy from the viewpoint of strategic behavior. I recommend that you read this letter and at least one of the books listed below if you are considering applying for study under my direction.

What is strategic behavior? Strategic behavior is all around us in nature, in society, in the economy. Viruses, trees, animals, men, women, parents, children, students, teachers, consumers, workers, firms, politicians, athletes, sports teams, armies, political parties, and countries usually behave strategically when their actions affect others and others' actions affect them. Over the course of evolution and history, strategic behavior has given rise to amazing diversity. It is largely due to competition and cooperation among numerous individuals and groups that we have such a variety of lifeforms, cultures, technologies, products, services, firms, advertising, and lifestyles.

What skills are needed to study strategic behavior? The main tools for analyzing strategic behavior are game theory and computer simulation. If you like math, computers, and game theory, then you will likely enjoy studying strategic behavior. (If you don't know the basics of game theory, then please read one of the many introductory texts or take an online course.) Since most of the related research is in English, English reading skills are also needed.

What is the purpose of studying strategic behavior? Understanding strategic behavior is both an intellectual challenge and a practical skill for managers, entrepreneurs, consultants, investors, analysts, and policymakers. Understanding strategic behavior sheds light on many business, economic and social problems and suggests ways to overcome them.

What topics are being addressed by research in strategic behavior? Many different topics can be fruitfully approached via strategic behavior analysis. I am interested in examining the following questions from the perspective of strategic behavior and invite graduate students who also want to work on these and related problems:

- Why is starting and working in ventures less risky for young men in Silicon Valley than in Japan?
- Why is housing affordability a chronic problem everywhere?

- How can Finland educate its children as well as Japan and Korea, but without cram schools and with much less competition, stress, and expense for students and parents?
- Is it rational to gamble on the stock market if many others do?
- Why do Asian consumers spend more on European luxury brands than do the Europeans?
- Do loyalty point programs raise costs, increase prices, inconvenience consumers, and limit competition?
- What fraction of retail prices is attributable to location rents?
- How do Uber, AirBNB, and other new ways to earn money affect wages, prices, and the work-leisure decision?
- Do feelings, emotions, and vulnerability allow humans to achieve better, more cooperative outcomes than if we were strictly rational?

For concrete examples of my research addressing some of the above questions, see my papers at <http://ssrn.com/author=1504280>

What do I look for in a graduate student? From my own experience as a student and a teacher I know that interest in the topic is the most important ingredient of graduate study. Only if your interest is deep and genuine will you enjoy your studies, overcome the difficulties along the way, and produce research that is meaningful to you and others. Unlike most undergraduates, who are akin to passengers on a tour bus driven by the teacher, the graduate student must decide where to go and must do the driving. As a teacher, I will help guide your studies but I also look forward to being inspired by your questions, ideas, and energy.

What can I read to prepare for graduate study and confirm my interest in studying strategic behavior? I recommend the following books as preparation for studying strategic behavior in the economy.

I. Human nature from a strategic / evolutionary perspective

Richard Dawkins, "The Selfish Gene" (1990, 2006)

Japanese translation: リチャード・ドーキンス (著), 日高 敏隆 (訳), 岸 由二 (訳), 羽田 節子 (訳), 垂水 雄二 (訳) 「利己的な遺伝子」 (1991)

Matt Ridley, "The Origins of Virtue: Human Instincts and the Evolution of Cooperation"

(1996)

Japanese translation: マット・リドレー (著)、岸由二・古川 奈々子 (訳)「徳の起源—他人をおもいやる遺伝子」(2000) ISBN 4881358774

Geoffrey Miller “The Mating Mind: How Sexual Choice Shaped the Evolution of Human Nature” (2000)

Japanese translation: ジェフリー・F.ミラー (著)、長谷川 真理子 (訳)「恋人選びの心—性淘汰と人間性の進化」(2002)

Keith Stanovich, “The Robot's Rebellion: Finding Meaning in the Age of Darwin” (2004)

Japanese translation: キース・スタノヴィッチ (著)、椋田直子(訳)「心は遺伝子の論理で決まるのか：二重過程モデルでみるヒトの合理性」(2008)

II. Interpersonal competition for socioeconomic status

Thorsten Veblen “The Theory of the Leisure Class” (1899, 2007)

Japanese translation: ソースティン・ヴェブレン (著)、高 哲男 (訳)「有閑階級の理論—制度の進化に関する経済学的研究」(1998)

宮崎 市定 「科挙—中国の試験地獄」(1963)

English translation: Ichisada Miyazaki “China’s Examination Hell: The Civil Service Examinations of Imperial China” (1976)

佐藤 大介 「オーディション社会 韓国」(2011)

III. Economic activity in the context of society

Karl Polanyi “The Great Transformation: The Political and Economic Origins of Our Times” (1944)

Japanese translation: カール・ポラニー (著)、野口 建彦 (訳)、栖原 学 (訳)「大転換」(2009)

Robert Reich “Supercapitalism: The Transformation of Business, Democracy, and

Everyday Life” (2007)

Japanese translation: ロバート ライシュ (著), 雨宮 寛 (訳), 今井 章子 (訳) 「暴走する資本主義」 (2008)

Richard Wilkinson and Kate Pickett “The Spirit Level: Why Greater Equality Makes Societies Stronger” (2009)

Japanese translation: リチャード・ウィルキンソン (著), ケイト・ピケット (著), 酒井 泰介 (訳) 「平等社会」 (2010)

IV. Using game theory and computer simulation to understand strategic behavior

Robert Axelrod, “The Evolution of Cooperation” (1984, 2006)

Japanese translation: ロバート・アクセルロッド (著), 松田 裕之 (訳) 「つきあい方の科学—バクテリアから国際関係まで」 (1998)

Thomas Schelling, “Micromotives and Macrobehavior” (1978, 2006)

Mitchel Resnick, “Turtles, Termites, and Traffic Jams: Explorations in Massively Parallel Microworlds” (1994)