論文要旨説明書

報告論文のタイトル：A Dynamic Analysis of Misconduct in Contemporary Social Context

報告者・共著者（大学院生は所属機関の後に（院生）と記入してください。）

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論文要旨（800 字から 1200 字、英文の場合は 300 から 450 語）

Law scholars and financiers have investigated crimes and law enforcement through rigorous economic analysis. Whereas many law literatures of punishment have focused not only on static situation but on dynamic situation affected by the very punishment in the future, the extant economic analysis of misconduct heavily relies on static model.

As the initial step toward the dynamic economic analysis of misconduct, we focus on corporate crimes by a firm's employees. Specifically, we incorporate the suspension of future economic activity into the model of corporate misconduct by Arlen Kraakman (1997). Under the centralized economy, our model predicts intensifying suspension and raising a worker's income stream unambiguously improve social welfare by relaxing the limited-liability constraint of a regulator. On the other hand, under the decentralized laissez-faire economy, our model suggests excessive compensation can reduce social welfare by squeezing production. To achieve the efficient level of production, corporate sanction, contingent on the level of a worker's compensation, is mandatory. As opposed to the existing literature, our model predicts the optimal level of corporate sanction can be negative to correct the shrink of production, which even rationalizes the situation in which, as in the U.S. financial sector during the Global Financial Crisis, the government simultaneously subsidizes a firm and detects the misconduct of its employees.

Our work most contributes to the economic analysis of law enforcement by explicitly incorporating the suspension of future economic activity into the theory of deterrence. As admitted by Becker himself, the amount of time available to an individual multiplied by his wage is a significant component of his "life-time wealth" (Becker, 1965). In this spirit, our work models the life-time wealth of an individual who faces the opportunity of wrongdoing and the risk of being detected and suspended in order to characterize the deterrent effect of removing one's future life-time through suspension.

Moreover, this project contributes to the ongoing discussion of executive compensation regulation. Specifically, our results suggest lowering the level of executive compensation weakens the deterrent effect of suspension, which is contrastive to the recent regulatory trend of restricting executive compensation level in response to the Global Financial Crisis (GFC). Our work complements the existing research by assessing the effect of compensation level on business conduct, rather than the effect of pay structure, unlike the recent literature on executive compensation.