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FACULTY OF SOCIAL SCIENCES

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Inverse Demand Models for Japanese Demand for Fish

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ABSTRACT

Abstract of thesis entitled "Inverse Demand Models for Japanese Demand for Fish", submitted by Zhang Bingyao (M-B-3-5609-3) for the degree of Master of Social Sciences in Economics at the University of Macau in December 2015.

This Study analyzes the consumer behavior empirically using quarterly Japanese time series data form 1989:Q1 to 2014:Q4. Base on the framework of inverse demand theory, the Inverse Almost Ideal Demand System (IAIDS), the Modified Inverse Almost Ideal Demand System (MIAIDS), and the Quadratic Inverse Almost Ideal Demand System (QUIAIDS) were applied in the empirical analysis. Wald test is used to find a preferred model in which the estimated parameters will be used to compute the Marshallian quantity and scale elasticities, and Hicksian quantity elasticities. Overall, results show that all commodity demand are own-quantity and cross-quantity inelastic.

Keywords: Duality theory; Inverse demand system; Elasticity analysis

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