Richard N. Cooper, Teacher, Colleague and Friend

It is a privilege to offer some remarks on Richard Cooper.

I first met Richard Cooper when I came to Yale as a graduate student.

Professor Cooper was my Ph. D. adviser and while I immediately respected his wisdom and knowledge, I found him to be a kind and compassionate teacher as well, so critical to the learning of a “foreign” student.

During the dissertation writing, James Tobin emphasized the importance of wide perspectives and empirical relevance of economics, Edmund Phelps sharpened my analytical skills, and Richard Cooper related the topic to actual policy issues. I felt like riding, incredibly fortunately, on a “Golden Troika” of which Dick was a part. Dick was always youthful, sincere, and especially caring about his students. His advice came in genuine and honestly kind conversations.

Most importantly, Dick cultivated my interest in international policy coordination. I still remember that when I explained my thinking about the application of game theory, our conversations brightened. And he strongly encouraged my work and supported my ideas. In many conferences, for example, where I presented related papers, Dick was always there to offer his thoughts and wisdom. He was always welcomed by any conference organizers because he explained the essence of new ideas with ease and with relevant examples.

Cooper’s idea of policy coordination was mainly developed in the Keynesian models. Mine were on Harry Johnson’s monetary approach to the balance of payments. Both were right under the fixed exchange rate during 1960s. The Bretton Woods system was then transformed to flexible exchange rates. Jeff Sachs and others were right that laissez-faire policies rather than coordination became the right strategy.

After the Lehman Crisis, the Bank of Japan did not follow the rules of the game and failed to expand money supply. Accordingly, Japan suffered much sharper GDP downturn than the epicenter countries of the Lehman Crisis. This is certainly a case of confusion that Jeff Frankel cautioned when the economic model of one coordinating country is wrong.

Now, in the age of secular stagnation, the division of monetary and fiscal policies is blurred, and relevant strategies of countries are more fiscal policies than monetary policies. Attention to these current situations clearly suggests that what Dick maintained, working through Keynesian models of fiscal spending, will be what the world needs to consider now; he was wise and ahead of his time.

In 2011 as an Abe Fellow of the SRRC, I visited Harvard to conduct interviews on the role of ideas in economic policies. Dick and his wife Jin kindly hosted me as “landlords” when I stayed on the third floor of their beautiful home in Cambridge. I remember with nostalgia, engaging with their young children and being invited to supper and lively conversations. Moreover, with Dick’s advice and support, I was able to interview the late Francis Bator, an adviser of Lyndon Johnson (coincidentally Bator’s article on the market failure was the first article in my life that I read in English as an undergraduate at Tokyo University). After the delightful interview, as I was waiting for a train to return home to the Cooper’s, Francis’s car appeared, and he kindly drove me to Cambridge. When we arrived, I was privileged to be part of a joyful reunion of close, two distinguished policy economists at the Cooper’s home.

Richard Cooper was a wise teacher, a distinguished colleague and a treasured friend. I am a better person for having known him and the world is a better place for his having been a part of it. He will be sorely missed.

Koichi Hamada

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