Professor Emanuela Carbonara, Editor of the International Review of Law and Economics University of Bologna, Department of Economics

Dear Professor Carbonara,

Per your request I am sending here a short review of "Contracting for Sex in the Pacific War" by J. Mark Ramseyer, which has recently appeared in the *International Review of Law and Economics*.

I will start by stressing that I am not a historian and that I cannot comment on the historical records provided in this paper. I will comment however on the prominent reference to game theory in the paper, and on a basic flaw in how conclusions are derived from claims made in this work.

I will start with the latter as I believe it is the more important part of my report.

To support his claim that the rape of young girls in the so-called "comfort stations" of the Japanese military during the Pacific War was simply a legitimate contractual relationship, the author writes:

"When Osaki turned ten, a recruiter stopped by and offered her 300 yen upfront if she would agree to go abroad. The recruiter did not try to trick her; even at age 10, she knew what the job entailed."

I find this paragraph very troubling. Did or could Osaki really know what the job entailed at the age of 10? No evidence in the paper suggests that this incogitable claim is correct. While mentioning Yamazaki (1972) who interviewed Osaki at an older age, there is no reference to such a claim coming from Yamazaki or from Osaki herself. The claim stands entirely on the pure speculation of the author. Any claim would deserve a more solid basis in evidence let alone one that is critical to the paper's overall conclusion that the sexual abuse of underaged girls organized by the Japanese military was nothing other than a fair deal.

But let's assume that Ramseyer's speculation is correct, and Osaki did understand what the job entailed due to her unique miserable life experience at the age of 10. Can this one observation imply anything important about the other 100,000 women who were sexually abused as "comfort women"?

Now to game theory:

In discussing the contractual relationship between brothels and the women who provided sexual services, the author refers to a "straightforward logic of the 'credible commitments' basic to elementary game theory."

A commitment in a game is a pledge by one player to take a certain action A in response to an action B by his rival player. A commitment is credible if the pledge is self-enforcing; i.e., if it is indeed in the interest of the pledging player to take the action A following the action B by his rival.

The author refers to game theory and credible commitment in the context of the upfront payment made to women by the brothels. Credible commitment has little to do with these upfront payments as the story here lacks the aspect of self-enforcement. It seems to me that the upfront payments were used in a way of sharing risk between the brothel and the women, which allowed the brothel to pay less. Unfortunately, the author does not even attempt to explain the relationship between the two. Furthermore, in discussing game theory and credible commitment the author cites a single paper which is his own paper from 1991 in JLEO, where credible commitment has been mentioned in the same context (prostitution in imperial Japan). No reference to any publication in the game theory literature is offered, not even to the seminal book by Nobel laureate Thomas Schelling (1960) where the role of commitment in strategic environments was first discussed.

Game theory and credible commitment are made very salient in the paper. They are discussed three times in the text including the abstract with no explanation whatsoever regarding the relationship. I doubt that game theory can provide valuable insight into the underlying topic. If I were forced to connect game theory with the history of Japanese "comfort stations" I would have mentioned that game theory can show that an absolute power and a complete selfishness of one player in a game can deliver a horrendous suffering to another player. I doubt however that one needs game theory to appreciate this fact.

I hope these inputs will be helpful to you and I would be glad to address further questions that you might have regarding this paper.

Best wishes,

Eyal, Winter

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