



**GIFT**

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**01.Mandatory pollution abatement and firm export product quality**

**Abstract:** This study investigates the effect of mandatory pollution abatement on the export product quality of firms. we document that firms under stringent environmental regulation experience an upgrade in their export product quality, and our findings remain robust under a battery of tests. Plausible mechanisms are reduced wastewater emissions, the adoption of sewage treatment facilities, and promoting innovation. We show that the effect is highly pronounced in non-state-owned enterprises and firms located in downstream cities.

<https://www.sciencedirect.com/science/article/abs/pii/S0313592623001807>

**02.Regulations, politics, and firm green innovation**

**Abstract:** This study shows that the impacts of environmental regulations and political incentives on firms' green innovation. By exploiting a natural experiment on the reduction of sulphur dioxide (SO<sub>2</sub>) emissions in China, we show that environmental regulation significantly enhances firms' green innovations. For a 1% increase in provincial SO<sub>2</sub> reduction targets, there is an average 1.77% (2.67%) increase in green patent amount (quality). Our findings are that target-based performance evaluation in political promotion may properly motivate local bureaucrats to exert pressure on firms to implement environmentally friendly innovations. However, local bureaucrats' political turnover and short-term pressures of economic growth negatively moderate our findings.

<https://www.sciencedirect.com/science/article/abs/pii/S0313592623001819>

**03.Distant lending for regional small businesses using public credit guarantee schemes:  
Evidence from Japan**

**Abstract:** In this paper, we investigate the extent to which banks use public credit guaranteed loans for distant small business borrowers. Existing studies argue that when banks offer loans to these borrowers, the information asymmetry between them is often severe. These studies then empirically demonstrate how banks can mitigate this problem. To conduct the

econometric analysis, we use semi-annual bank-region-level data from Japan, which allows us to control for several unobserved fixed effects. The results reveal that credit guarantee loan size is larger and the default rate higher when banks offer credit guaranteed loans to distant borrowers. These findings suggest that banks successfully mitigate the losses of distant lending using the public credit guarantee scheme, thereby providing a valuable contribution to the small business finance literature.

<https://doi.org/10.1016/j.eap.2023.07.017>

#### **04. Relative income within households, gender identity, and entrepreneurship**

**Abstract:** Using data from Chinese General Social Survey, this study finds that: (1) In couples where the wife earns less than the husband, an increase in the wife's relative income inhibits the husband's entrepreneurship, while in couples where the wife earns more than the husband, an increase in the wife's relative income promotes the husband's entrepreneurship. (2) The traditional gender concept of "men lead outside, women lead inside" provides a good explanation for our findings. Gender identity distorts not only women's but also men's behavior. (3) Men in rural areas, those with less education and those with short-term marriages are more sensitive to gender identity.

<https://www.sciencedirect.com/science/article/abs/pii/S0313592623001856>

#### **05. Revisiting financial opening and financial development: A regulation heterogeneity perspective**

**Abstract:** We conclude that regulatory capacity-building is a significant precondition for effective financial opening. Our research provides policy implications for enhancing regulatory quality and warning off financial "deregulation", especially for emerging economies. Policymakers are tasked with the imperative duty of achieving a delicate equilibrium between reaping the advantages of financial liberalization and mitigating the prospective hazards associated with financial deregulation. This nuanced approach holds paramount importance in nurturing a financial system that is both enduring and robust.

<https://www.sciencedirect.com/science/article/abs/pii/S0313592623001923>

#### **06. The impact of regulation on cryptocurrency market volatility in the context of the COVID-19 pandemic — evidence from China**

**Abstract:** This paper aims to examine the impact of regulatory policies on cryptocurrency market volatility in the context of the COVID-19 pandemic. We find that price volatility, liquidity volatility, and return volatility in the cryptocurrency market increased significantly following regulatory announcements by Chinese policymakers targeting the cryptocurrency industry, and this effect was more pronounced during the COVID-19 pandemic. It indicates that investors are paying a great deal of attention to such events. Our findings also suggest that while regulation typically brings market volatility in cryptocurrencies, the release of regulatory policies can instead be beneficial to the stability of the cryptocurrency market when investors are in a highly greedy mood.

<https://www.sciencedirect.com/science/article/abs/pii/S031359262300200X>

### **07. The housing status and two-child fertility willingness of floating population: Evidence from the Chinese General Social**

**Abstract:** This paper investigates the effect of housing status on the two-child fertility willingness of China's floating population using a Probit model combined with the propensity score matching method and the instrumental variable method. The results show that the floating population with self-owned housing has a significantly lower two-child fertility willingness than those living in rented housing. This finding remains robust after addressing the potential endogeneity problem. Moreover, the effect of housing status on the two-child fertility willingness of floating population varies with demographic characteristics. The married without children and living in self-owned housing have lower two-child fertility willingness than the married with one or more children and living in self-owned housing. <https://www.sciencedirect.com/science/article/abs/pii/S0313592623001972>

### **08. Do minimum wages deliver what they promise? Effects of minimum wage on employment, output, and income inequality from occupational choice theory**

**Abstract:** This paper addresses the unresolved debate on the effects of minimum wages on output, employment, and income inequality by modeling an occupational choice economy calibrated for a representative OECD economy. The minimum wage sets a minimum skill requirement for employees, which reduces the effective labor supply and raises its price. Consequently, salaries increase, business profits fall, and some entrepreneurs transition to solo self-employment. In summary, the effects are mainly negative, contrary to what is promised, and quantitatively large for *high* minimum-to-average wage ratios. <https://www.sciencedirect.com/science/article/pii/S0313592623001947>

### **09. Can water pollution control influence employment adjustment in enterprises?**

**Abstract:** This paper takes Chinese A-share listed companies as the research object, and examines whether environmental regulation of water resources can influence employment decisions of enterprises. The results showed that the environmental regulation of water resources reduced the number of workers absorbed by enterprises characterized by high pollution and water consumption. The results of further analyses showed that, although the employment decisions of these two groups of enterprises differed, their enterprise values clearly improved after the implementation of this policy. This study provides important policy insights on how to achieve the protection of water resources and the optimization of the enterprise employment structure under the background of environmental regulation of water resources.

<https://www.sciencedirect.com/science/article/abs/pii/S0313592623002035>

### **10. Green bond spread effect of unconventional monetary policy: Evidence from China**

**Abstract:** In this study, we examine the cost impact of unconventional monetary policy on green financing, particularly green bonds. Specifically, using bond market data from 2016 to 2020, we construct a DID model to empirically test the effect of China's unconventional monetary policy on the financing cost of green bonds. The results indicate that unconventional monetary policy reduces the trade spread of green bonds compared with non-green bonds in the secondary market. Based on the conclusions of the study, we put forward policy suggestions to improve the top-level design of green bond market and activate the

enthusiasm of bond trading from two aspects: expanding the scope of green bond collateral of central bank lending programs and enhancing the issuance advantages of green bond in the primary market.

<https://www.sciencedirect.com/science/article/abs/pii/S0313592623002047>

### **11. Do International Investment Agreements attract Foreign Direct Investment inflows? Revisiting the literature**

**Abstract:** This paper offers a comprehensive survey of the literature on the impact of IIAs on FDI flows, with a specific focus on EMDEs. The main goal of the review is to highlight the important themes that emerge from the literature and how each of those themes have been addressed by the existing studies. A substantive part of the empirical ambiguity arises for two broad reasons. First, there have been methodological constraints in disentangling co-movements from causal effects when it comes to estimating the impact of IIAs on FDI flows. Second, studies have suffered from the general paucity of granular data on IIAs which allow for a systematic unpacking of various IIA provisions on FDI inflows.

<https://www.sciencedirect.com/science/article/abs/pii/S0313592623002096>

### **12. Policy uncertainty and air pollution: Evidence from the turnover of local officials in China**

**Abstract:** This paper examines the impact of policy uncertainty on air pollution, using the turnover of local officials in China as a quasi-natural experiment. The results from the two-way fixed effects model show that policy uncertainty caused by the turnover of different officials produces contrasting effects on air pollution. Two-Stage Least Square estimation confirms these results where the age and tenure of officials were used as instrumental variables of policy uncertainty. The results are robust after endogenous treatments and robustness tests. The mechanism analysis further indicates that policy uncertainty worsens air quality by weakening environmental regulation and crowding out green innovation. The conclusions provide policy implications for environmental governance in the period of policy uncertainty.

<https://www.sciencedirect.com/science/article/abs/pii/S0313592623002023>

### **13. Can environmental governance policy synergy reduce carbon emissions**

**Abstract:** Using urban data from China, this paper empirically investigates how EGPS affects carbon emissions. In comparison to non-pilot cities, EID policy and LC policy play an inhibitory role in carbon emissions. Furthermore, EGPS has a stronger effect and is heterogeneous by region. Through the use of technical advancement and industrial structure optimisation, EGPS lowers carbon emissions, and this effect of EGPS grows over time in tandem with the level of environmental pollution in the cities. Our paper proposes policy implications in order to improve the overall effect of environmental governance policy and help achieve the dual carbon targets.

<https://www.sciencedirect.com/science/article/abs/pii/S0313592623002102>

### **14. Minimum wage and household economic vulnerability: Evidence from China**

**Abstract:** The article's research helps to comprehensively analyse the welfare effects of minimum wage policies and expand the policy options for helping low-income groups cope with risk shocks. Based on CHFS panel tracking data in 2015, 2017, and 2019, the impact of

the minimum wage increase on household economic vulnerability and its mechanism of action is empirically tested. Findings are: for every 10% increase in the minimum wage, the probability of economic vulnerability occurring in the household economy decreases by 2.81 percentage points because the minimum wage increase raises the household income level of low-income groups, improves the health status of household members, and increase their commercial health insurance, emergency savings and financial capital stock.

<https://www.sciencedirect.com/science/article/abs/pii/S0313592623002151>

### **15. Global vulnerability of agricultural commodities to climate risk: Evidence from satellite data**

**Abstract:** Our climate risk measure based on soil moisture fluctuations has a significantly negative impact on the yield of major cereals, and the effect is greater than temperature and precipitation. This impact concentrates on countries with lower income levels, harsher climate conditions, or less irrigated farmland. Moreover, we show agricultural commodities are less vulnerable to current drought risks in countries with higher frequencies of past droughts, suggesting that countries adapt to climate change through learning from prior experience.

<https://www.sciencedirect.com/science/article/abs/pii/S0313592623002217>

### **16. Can social insurance contributions boost labor share? - Evidence from China's social insurance law**

**Abstract:** Using large-scale data from China's National Tax Survey from 2008 to 2016, this paper examines the impact of the implementation of the Social Insurance Law on firms' labor share and its mechanisms. The results show that the Social Insurance Law significantly reduces firms' labor share. Although it increases the firms' social insurance rate and total amount of social insurance contributions, firms respond by reducing the number of employed labors and net wages to mitigate rising labor costs, as well as adopting alternative technological advancement patterns and capital deepening behavior, leading to a reduction in labor share. Our study suggests that stronger social security collection could account for the decline in labor share worldwide.

<https://www.sciencedirect.com/science/article/abs/pii/S0313592623002230>

### **17. Inclusive bank based financial development in countries with special needs: A semiparametric analysis**

**Abstract:** What is the role of bank based financial development in inclusive sustainable development? Our paper tries to answer this question with a novel methodology that provides an estimate of the inequality-finance relationship for every country-year observation, allowing us to examine the distribution of the relationship of interest for various country groups. Our findings should be of particular interest to scholars and domestic policy makers of *Countries with Special Needs*, who face unique challenges meeting the goals set by *United Nation's 2030 Agenda for Sustainable Development*.

<https://www.sciencedirect.com/science/article/abs/pii/S0313592623002205>

### **18. Could Private Investment in Energy Infrastructure soften the environmental impacts of Foreign Direct Investment? An assessment of developing countries**

**Abstract:** Using data from 17 developing countries from 2000–2020, this study undertakes an in-depth analysis of the effects of FDI and PPEI investment on economic growth, pollution, and energy transition using a Seemingly Unrelated Regression model. The results reveal that FDI increases pollution and non-renewable energy consumption but, conversely, PPEI promotes energy transition, potentially mitigating the polluting impact of FDI. Developing countries can pursue long-term environmentally-sustainable economic growth by attracting private investment in their energy infrastructure.

<https://www.sciencedirect.com/science/article/pii/S0313592623002370>

### **19. Does population aging matter for remittances in developing countries?**

**Abstract:** This study explores the impact of population aging on remittances. The system GMM estimations reveal that an increase in the population aging measures of the old-age dependency, old-age population ratio, and a composite factor of these two measures hinders remittances, implying that, overall, elderly dependents act as a deterrent to remittance flows in developing countries. The findings suggest that population aging plays a critical role in determining remittance flows, relying on the country's income level concerning the degree of population aging and the presence of a government social security program for older people.

<https://www.sciencedirect.com/science/article/abs/pii/S0313592623002424>

### **20. Consequences of a minimum wage increase in a migrant-sending country**

**Abstract:** A mandated minimum wage supports low-wage workers at the expense of domestic employment and overall welfare in a closed economy. Our general equilibrium simulations demonstrate that a minimum wage increase would be welfare-improving thanks to remittances earned by, especially, unskilled workers who lose jobs and migrate abroad. Migration would cause currency appreciation and less domestic labor supply which make exports and domestic production weaker, especially in manufacturing. Among four household groups, welfare gains would accrue largely to both the richest and poorest household groups; middle-income groups would gain smaller. Our neutral inequality finding does not imply equal gains by all household groups but is brought by the poorest household group being able to keep up with the second and third-richest household groups, while trailing behind the richest household group.

<https://www.sciencedirect.com/science/article/abs/pii/S0313592623002278>

### **21. Social capability and long-term sustained growth**

**Abstract:** Social capability is an important prerequisite for late-developing countries to catch up with leading countries, and the combination of social capability and the technology gap co-determine the potential of a country to improve productivity through catching up. This paper clarifies the theoretical mechanism of social capability to promote economic growth, and reveals that accountability quality may become capability gap which impedes the convergence of economic growth of the low-income countries by analyzing the panel data from 166 countries over the period 1996–2019. This paper believes that with the rising income level, it is the general path of sustained economic growth to promote the modernization of economic structure while ensuring the supply of goods and effective social incentives.

<https://www.sciencedirect.com/science/article/abs/pii/S0313592623002382>

## **22. The impact of financial insecurity on self-reported health: Europe in cross-national perspective**

**Abstract:** Using the EU-SILC 2008 module on over-indebtedness and financial exclusion, this paper analyses how perceived future-orientated economic insecurity alters individual self-assessed health, once controlling for past and current financial situation in a range of European countries. Those effects differ by gender and by country. Our results also suggest that country characteristics explain a larger part of the unknown variability of individual levels of SAH than individual-household characteristics. Thus, our findings might be of help in designing the most effective policies intended to alleviate the individual welfare costs of perceived financial insecurity provoked by upcoming business-cycle downturns.

<https://www.sciencedirect.com/science/article/pii/S031359262300245X>

## **23. Public pension policy, substitution income, and poverty reduction: Evidence from China**

**Abstract:** This paper investigates the pension effect on poverty reduction in rural China, considering the influences of potential substitution income, including earned and transfer income from older adults and children, respectively. The study created a counterfactual group to impute potential substitution income from the income distribution perspective. We find that when substitution income is not considered, pension effect on poverty reduction may be overestimated. Comparing the two types of substitution income, earned income is found to have a larger effect than that of transfer income from children, and it is significantly more for the middle- and high-income groups.

<https://www.sciencedirect.com/science/article/abs/pii/S0313592623002436>

## **24. Has China's Free Trade Zone policy promoted the upgrading of service industry structure? : Based on the empirical test of 185 prefecture-level cities in China**

**Abstract:** This paper empirically tests the impact of the FTZ policy on the upgrading of service industry structure by using the progressive difference-in-differences model. The results show that the FTZ policy can promote the upgrading of service industry structure, and the effect is enhanced with the extension of time. The heterogeneity test shows that the impact of the FTZ policy on the structural upgrading of the service industry is mainly reflected in promoting the development of the information service industry as well as the leasing and business service industry. The transmission mechanism test shows that the FTZ policy can promote the structural upgrading of the service industry by improving the level of trade facilitation and investment facilitation.

<https://www.sciencedirect.com/science/article/abs/pii/S0313592623002552>

## **25. Does government fiscal pressure matter for firm environmental performance? The role of environmental regulation and tax competition**

**Abstract:** Concerns about firm pollution have entered the global spotlight in recent years, emphasizing the central role that governments play in addressing this pressing issue. Existing literature mostly focuses on the influence of government regulations on the environment. Leveraging detailed firm-level data from 2000 to 2007, Study shows the causal effect of fiscal pressure, stemming from China's Income Tax Sharing reform on the local environment.

Employing a DID estimation, we find that such fiscal pressure amplifies sulphur dioxide emission intensity, especially in non-state-owned, large-scale firms and small to medium-sized cities. <https://doi.org/10.1016/j.eap.2023.10.015>

## **26. Does FDI in agriculture in developing countries promote food security? Evidence from meta-regression analysis**

**Abstract:** Although there is a consensus on the positive relationship between FDI and economic growth, the relationship between FDI and food security is less clear. We use meta-analysis to combine the results of 24 primary studies to generate an overall estimate of the impact of FDI on food security. We find no evidence of publication bias and the overall pooled estimate of the impact is not significantly different from zero. Subgroup analysis, however, shows negative impact on food security when FDI is treated as a stock variable compared to when it is treated as a flow variable.

<https://www.sciencedirect.com/science/article/pii/S031359262300259X>

## **27. Is Fintech good for green finance? Empirical evidence from listed banks in China**

**Abstract:** Green finance has been regarded as an important strategy for the Chinese government to develop a green economy. Few studies have investigated the relationship of bank-level Fintech development in promoting the growth of green finance. To address the research gap, we developed a bank-level Fintech index based on text mining and entropy methods using 59 Chinese listed banks, 2011-20. We find that (1) Fintech development can significantly promote the growth of green finance and the effect of Fintech development on banks with high net income or located in the eastern region is significantly larger than others (2) Fintech facilitates the growth of green finance by improving banks' risk management capability and operations capability.

<https://www.sciencedirect.com/science/article/pii/S0313592623002667>

## **28. Unintended consequences of tax enforcement on corporate innovation: Evidence from a natural experiment in China**

**Abstract:** This paper employs the merger of LTBs and STB in 2018 as an exogenous shock to stricter tax enforcement. We find that stricter tax enforcement can foster innovation within firms. A mechanism analysis shows that the enhancement in a firm's innovation is motivated by the increased governance level, constraining the bribery and violation behavior of managers, motivated by stricter tax enforcement. According to heterogeneity research, this effect is more significant in SOEs and firms with weaker internal governance and firms with poor external governance environment. This study examines how tax enforcement affects innovation, which is crucial for boosting productivity and promoting economic growth.

<https://www.sciencedirect.com/science/article/abs/pii/S0313592623002606>

## **29. Compensation schemes for plant quarantine pest costs: A case study for Germany**

**Abstract:** This paper aims to assess various compensation options by, firstly, calculating potential monetary losses caused by selected quarantine pests and Secondly, we calculate farmers WTP for different components of compensation options in plant production using a DCE. We find that monetary losses caused by quarantine pests vary significantly across products and sectors and are highest for intensive vegetable production. Due to sectoral

differences and path-dependent nature of compensation programs, a universal solution is rather not feasible. Sector-specific solutions must be considered, which does not rule out similar compensation approaches among sectors. Our findings are useful for designing compensation programs for quarantine plant pest cases.

<https://www.sciencedirect.com/science/article/abs/pii/S0313592623002527>

### **30. Does digital financial inclusion lead to regional differences in trade credit financing? A quasi-natural experiment**

**Abstract:** PBOC drafted the *G20 High-Level Principles for Digital Financial Inclusion* in 2016. Employing these principles in a quasi-natural experiment, we use the DID method to estimate changes in enterprises' TCF. The findings are: (1) DFI significantly increases enterprises TCF in China's central and western regions, and the policy effect is transmitted through bank credit and the level of digital finance development. (2) DFI's effects on enterprises are heterogeneous with different ownership structures and sizes and in different industries; the promotive effect on TCF is stronger for non-SOEs and nonmanufacturing enterprises, while the policy prohibits the TCF of small and medium enterprises. (3) provincial factors have positive moderating effects on DFI.

<https://www.sciencedirect.com/science/article/abs/pii/S0313592623002710>

### **31. Peer Effects in Financial Investment of Board-interlocked Firms: An Information Sharing Perspective**

**Abstract:** This paper aims to investigate the peer effects in financial investment of board-interlocked firms from the information sharing perspective. The results demonstrate that peer effects are noticeably found in nonfinancial firms even after ruling out endogenous concerns by applying peers' characteristics as instrumental variables, and carrying out robustness tests and placebo tests. The main manifestation of these peer effects is that firms with inferior quality information. Firms located in the core position of board interlocking network or with more assets are more likely to be influenced by peers, because they can obtain more high-quality information. This paper provides a board interlocking perspective to the study of peer effects, which offers a new explanation for the expansion of financial activities of firms in China.

<https://www.sciencedirect.com/science/article/pii/S0313592623002758>

### **32. Does digital transformation reduce the labor income share in enterprises?**

**Abstract:** This paper investigates the impact of firms' digital transformation on labor income share utilizing a large sample of Chinese-listed enterprises from 2003 to 2020, and we find a negative correlation between digital transformation and enterprise labor income share. The results are robust to changing variable indicators, instrumental variable approach, and DID method. The impact of enterprise digital transformation on labor income share is more pronounced for industrial industry, technology-intensive, and state-owned firms. This study reveals that protecting employee rights and maintaining fair competition help weaken enterprise digital transformation's negative impact on labor income share.

<https://www.sciencedirect.com/science/article/abs/pii/S0313592623002722>

### **33. The impact and regional heterogeneity analysis of tourism development on urban-rural income gap**

**Abstract:** Based on data of 204 cities from 2008 to 2020, the study first uses the mixed OLS model and two-way fixed effect model to verify the direct impact of tourism on the urban-rural income gap. Next, we employ the instrumental variable method, as well as estimation methods such as 2SLS and GMM, to test for endogeneity problem present in the study. The findings indicate that rural infrastructure acts as an intermediary between tourism development and the reduction of the urban-rural income disparity and the impact of tourism on narrowing the income gap seems to diminish gradually from the western regions to the eastern ones.

<https://www.sciencedirect.com/science/article/abs/pii/S0313592623002783>

### **34. Power of competition: Unraveling the impact of China's fair competition review system implementation on firm innovation**

**Abstract:** This paper exploits the introduction of China's Fair Competition Review System in 2016 to analyze the impact of changes in market competition on firm innovation. Our findings illustrate that heightened competition fosters innovation at the firm level. After the implementation of the Fair Competition Review System, monopolistic firms face enhanced financing constraints and reduced free cash flows. The results from heterogeneity analysis suggest that the Fair Competition Review System's stimulating effect on innovation is especially salient for state-owned enterprise, non-high-tech enterprises, large firms, and those located in regions with lower levels of marketization.

<https://www.sciencedirect.com/science/article/abs/pii/S0313592623002862>

### **35. New engines of economic growth: How digital currencies lead the way to growth in the era of digital economy**

**Abstract:** Drawing from city-level data spanning 2013 to 2020 in China, this study examines the economic outcomes of a digital currency pilot test policy. Through the application of a DID model, the findings indicate areas promoting digital currencies are more inclined to draw businesses to establish and allocate investments into fixed assets, thereby fostering economic growth. Our empirical evidence also suggests that the robust adaptability of digital currencies across varied cultural contexts and geographical locations.

<https://www.sciencedirect.com/science/article/abs/pii/S031359262300276X>

### **36. Does digital transformation make enterprises greener? Evidence from China**

**Abstract:** This study focused on the relationship between DT and corporate environmental responsibility based on sample data of A-share listed companies during 2010–2018, considering the typical data of corporate DT in recent years. DT can effectively incentivize firms, heavy polluters, mature firms, and bear markets, to fulfil their environmental responsibilities, and the findings hold after the robustness tests. Local governments have significantly strengthened the incentive effect of DT on enterprises' fulfilment of environmental responsibility by actively practicing green development and increasing environmental protection investments. These results provide an important theoretical and practical basis for promoting environmental pollution management and strengthening the policy support for DT.

<https://www.sciencedirect.com/science/article/abs/pii/S0313592623002874>

### **37. Local government fiscal stress and corporate risk-taking: Evidence from a quasi-natural experiment in China**

**Abstract:** This study investigates the effects of local government fiscal stress on corporate risk-taking and its potential mechanisms by employing a DID approach in the context of a unique pilot program in China to replace the BT with VAT. Using a sample of Chinese listed firms from 2009-15, study finds (1) local government fiscal stress has a causal and negative effect on corporate risk-taking (2) this effect is more pronounced for firms in regions with higher tax intensity, privately owned firms, firms with lower sales growth, and service industry firms (3) to mitigate fiscal stress, local governments issue more government debt, strengthen tax enforcement and sell more land, which increases external financing constraints, decreases internal cash flow and intensifies corporate financialization.

<https://www.sciencedirect.com/science/article/abs/pii/S0313592623002904>

### **38. How credible is average and symmetric inflation targeting in an episode of high inflation?**

**Abstract:** This article examines the risks and societal costs associated with flexible average inflation targeting in the US and symmetric inflation targeting in the Eurozone. We analyze monthly cumulative inflation gaps over a monetary policy horizon of 36 months. We find a heavy tailed distribution and a 20% probability of over- and undershooting the inflation target. The policy implications are the integration of an escape clause and prompt monetary corrections in cases where the inflation goal is not achieved. This study provides insights for policymakers and central banks, emphasizing challenges in maintaining credibility and price stability within the new monetary strategies.

<https://www.sciencedirect.com/science/article/abs/pii/S0313592623002898>

### **39. Can digitalization empowerment improve the efficiency of corporate capital allocation? —Evidence from China**

**Abstract:** To examine the effect of digital empowerment on CAE, we conducted a study using Chinese listed firms as a research sample. Our findings indicate that (1) Digital empowerment significantly enhances the CAE. (2) Digital empowerment improves the CAE in enterprises by reducing agency costs and enhancing operational capabilities. (3) This effect is even more pronounced in non-state-owned enterprises, enterprises with low leverage, and those with weak levels of external oversight. (4) Digital empowerment leads to a reduction in under investments and reduces operating investments. The article provides a theoretical framework for enterprises to enhance CAE and governance level and offers policy insights for promoting effective digital transformation of businesses and presents valuable references for advancing digital economy in China.

<https://www.sciencedirect.com/science/article/abs/pii/S0313592623002941>

### **40. The dark side of bank FinTech: Evidence from a transition economy**

**Abstract:** Using data from Chinese commercial banks from 2008 -18, the paper explores the effects of bank FinTech on stability. We 1<sup>st</sup> construct and measure a bank Fintech index and then examine the relation between bank FinTech and stability and the results is the dark effects prevail over bright effects and bank FinTech increases stability by improving risk

control and increasing net interest margin. 2<sup>nd</sup> the negative impacts of bank Fintech on stability are weaker in state-owned banks. 3<sup>rd</sup> as time progresses, the negative effects of bank Fintech become weaker. Finally, we find that artificial intelligence technology and big data technology increase bank stability, but internet technology reduces bank stability.

<https://www.sciencedirect.com/science/article/abs/pii/S0313592623003016>

#### **41. The dynamic impact of digital economy on the green development of traditional manufacturing industry: Evidence from China**

**Abstract:** This paper constructs the evaluation index system to analyze the driving factors and green coupling level of the digital economy enabling the green development of traditional manufacturing industry from three aspects: industry digitalization capacity, socio-economic benefits capacity and ecological resources carrying capacity. This paper constructs the spatial Durbin model and threshold regression model to analyze the mediation effect and spatial spillover mechanism of the digital economy empowering the green development of traditional manufacturing industry. Based on the 30 provinces in China 2012-20. Through the policy test of carbon-trading pilot programs by the DID model, the digital economy has a non-linear impact on the intensive production of traditional manufacturing industry.

<https://www.sciencedirect.com/science/article/abs/pii/S031359262300190X>

#### **42. Can the development of digital economy improve the quality of regional investment? — Empirical evidence from Chinese cities**

**Abstract:** This research investigates the effect of the expansion of the digital economy on the quality of regional investment introduction in China using city-level data 2011-19. The findings of the study indicate that the growth of the digital economy can greatly raise the calibre of regional investment, and this conclusion has withstood a number of robustness tests, including endogeneity. The growth of the digital economy primarily draws high-quality foreign investment through enhancing productivity, attracting talent, and increasing return on investment. A region's high-quality development plan can increase the promotion effect of the digital economy on the quality of foreign investment, but the promotion effect of the digital economy on the quality of foreign investment clearly demonstrates regional variation.

<https://www.sciencedirect.com/science/article/abs/pii/S0313592623001911>

#### **43. Asymmetries in multi-target monetary policy rule and the role of uncertainty: Evidence from China**

**Abstract:** Multiple targets have been found to exist for monetary authority, and uncertainty is having a growing impact on monetary policy in China. Using the NARDL model and data from China, 2001Q1–2022Q3, we build a multi-target monetary policy rule with uncertainty and verify the monetary authority's asymmetric reactions to the exchange rate, housing price, and uncertainty. The Monetary authority of China responds more to a decline than increase in the output gap, and responds more to an increase than decrease in the inflation gap, exchange rate gap, housing price gap, and uncertainty. This practice supports the view of expanding the targets of the Taylor rule, while also providing innovative ideas for asymmetric monetary policy responses for countries with an economic structure or population density comparable to China.

<https://www.sciencedirect.com/science/article/abs/pii/S0313592623001984>

#### **44. Global value chains and economic complexity index: Evidence from generalized panel quantile regression**

**Abstract:** This study investigates the impact of GVCs participation on economic complexity for a sample of underdeveloped, moderately developed, and developed countries which includes 42 economies from 2000-2018. We find that the influence of GVC participation on economic complexity varies across quantiles as it has adverse and significant effects on economic complexity in the first five lower quantiles. It indicates that GVC participation has adverse impacts on economic complexity except for the economy with higher economic complexity. Backward participation has positive and significant impacts on economic complexity in the 85th, 90th, and 95th quantiles implying that in a more complex economy, backward participation is positively correlated with economic complexity.

<https://www.sciencedirect.com/science/article/abs/pii/S0313592623001881>

#### **45. The nonlinear impacts of aging labor and government health expenditures on productivity in ASEAN+3 economies**

**Abstract:** This study addresses this gap by examining the impact of changes in the proportion of the working-age population and government health expenditures on productivity growth, using data from ASEAN+3 countries over the period 2008-09. We utilize several panel threshold regression models to derive statistically sound inferences and consistent parameter estimates. Our investigation reveals that government health expenditure effectively enhances productivity when the old labor force participation rate is below 51.352%. However, this effect loses significance at higher levels of the aging workers' proportion. Additionally, we identify an optimal government health expenditure range of 1.906% to 2.859% of GDP, signifying a positive correlation with labor productivity growth.

<https://www.sciencedirect.com/science/article/pii/S0313592623002060>

#### **46. Digital finance, technological innovation, and carbon dioxide emissions**

**Abstract:** In this paper, we select the data of 241 cities in China, 2011-20 and use the double logarithm model after verifying model forms to explore the impact of digital finance on urban CO<sub>2</sub> emissions. The results show a significant negative correlation between the level of digital finance and the intensity of CO<sub>2</sub> emissions. Heterogeneity analysis results show that the eastern region exhibits the greatest inhibitory effect, while the western region exhibits the lowest. Through mediating effect tests from two dimensions, we find that digital finance can achieve CO<sub>2</sub> emission reduction by promoting scientific and technological innovation. These findings have implications for understanding the carbon reduction effectiveness of digital finance and achieving the dual carbon goals.

<https://www.sciencedirect.com/science/article/abs/pii/S0313592623002126>

#### **47. Does the lack of resources matter in a dual economy: Decoding MSMEs productivity and growth**

**Abstract:** In this paper, we examine the factors influencing labor productivity and sales growth among micro, small, and medium-sized enterprises (MSMEs) within a middle-income economy. Using a longitudinal dataset of firms and employing both quantile regressions and

machine learning techniques, we find that SMEs led by older, male, and more seasoned managers tend to exhibit higher productivity. Similarly, companies with a larger proportion of highly educated employees, affiliation to business groups, and engagement in R&D activities demonstrate superior performance. Finally, to improve the performance of MSMEs in developing economies, our results suggest that implementing targeted, well-defined vertical public support programs would be an effective public policy approach.

<https://www.sciencedirect.com/science/article/abs/pii/S0313592623002072>

#### **48. The impact of corporate environmental responsibility on green technological innovation: A nonlinear model including mediate effects and moderate effects**

**Abstract:** This paper systematically analyzed the nonlinear relationship between corporate environmental responsibility and green technological innovation by utilizing the 5084 observations from a sample of Chinese A-share listed companies (2011–2020). The results show that, there is indeed a U-shaped nonlinear relationship between corporate environmental responsibility and green technological innovation. All mediating effects in this article have been proved and also exhibit a better performance in mediating between corporate environmental responsibility and green technology innovation quantity.

<https://www.sciencedirect.com/science/article/abs/pii/S0313592623002199>

#### **49. Do households react to policy uncertainty by increasing savings?**

**Abstract:** Studying the impact of policy uncertainty on household savings is essential to understanding how policymaking affects households' economic behavior. Using quarterly data from 21 countries from 1987–2021, we find that a one-standard-deviation rise in policy uncertainty increases household saving rates by three percentage points within six quarters. This effect persists even after accounting for the business cycle and endogeneity. This study enriches the study on policy uncertainty and household savings while also providing new insights to better identify the impact of policy uncertainty.

<https://www.sciencedirect.com/science/article/pii/S0313592623002254>

#### **50. Does corporate income tax reduction prompt firm export concentration?**

**Abstract:** This study investigates the causal relationship between reduction in corporate income tax rate and adjustment in export structure, employing a difference-in-differences approach and drawing on data from Chinese manufacturing firms between 2000 and 2013. Our findings indicate that China's corporate income tax reform in 2008 heightened the concentration of firms' export products by enhancing labor productivity and facilitating the accumulation of fixed assets. Additionally, this tax reduction expanded the range of exported products and increased the proportion of firms' core and high-technological products.

<https://www.sciencedirect.com/science/article/abs/pii/S0313592623002321>

#### **51. How do urban agglomerations drive economic development? A policy implementation and spatial effects perspective**

**Abstract:** This study is not limited to specific UAs but considers all of them in China as a whole, uses panel data of 285 cities in China from 2003 to 2020, introduces the spatial difference-in-differences Durbin model to verify the impacts of UA policies on economic development and their spatial effects, and further explores the intrinsic influence mechanism. This study serves

as a valuable reference for the overall development situation and internal development logic of UAs in China and proposes relevant policy suggestions.

<https://www.sciencedirect.com/science/article/abs/pii/S0313592623002618>

## **52. Macroprudential Policy and mortgage leverage decisions—Evidence from micro data**

**Abstract:** This paper examines the behavioral responses of mortgage loan borrowers to Macroprudential Policy its transmission channel, and the lag effect. We also explore the effectiveness of lender-based instruments Using borrower-level loan data from an Indian bank with a national presence from 2010 to 2021, we find that MPP tightening leads to a decline in borrower leverage. A disaggregated analysis shows that risk weights have a stronger impact than LTV limits and provisioning requirements, suggesting that banks are capital-conscious in their lending decisions. Overall, the findings stress that MPPs, especially the timely intervention concerning risk weights have been effective in managing the borrowing risk thereby ensuring stability in the mortgage market.

<https://www.sciencedirect.com/science/article/abs/pii/S0313592623002588>

## **53. Do U.S. military bases impair the economic growth of the host countries?**

**Abstract:** This study empirically examines these issues using data from the most recent US defence budget, revenue statistics from military contractors, and financial information from US military bases in Japan. The results of the study suggest that the construction of overseas bases only harms the American economy if they are acquired through military occupation. On the other hand, building overseas bases that are secured through an alliance will support American economic growth.

<https://www.sciencedirect.com/science/article/abs/pii/S0313592623002187>

## **54. Validity of the Meltzer and Richard hypothesis under captured democracy and policy regime hypotheses**

**Abstract:** This study proposes two hypotheses to explain why the equalization effects of democracy may not work: the *captured democracy hypothesis* and the *policy regime hypothesis*. The variability of income redistribution in democratic countries is higher than that of non-democratic countries. Second, the estimation results do not support the Meltzer and Richard hypothesis for any of three democracy-related indices. This implies that democracy itself is not a sufficient precondition for redistribution. The empirical tests of the two hypotheses on democratic countries support that the equalizing effects of democracy are weaker in societies where political influence depends on socioeconomic position and in societies where neoliberal policies are dominant.

<https://www.sciencedirect.com/science/article/abs/pii/S0313592623002928>

## **55. Can environmental regulation promote high-quality economic development? Evidence from China**

**Abstract:** This study utilizes a dataset comprising 284 prefecture-level cities in China, covering the period from 2005 to 2020. Its objective is to empirically examine the influence of environmental regulation on the attainment of high-quality economic development. The results of the study indicate that the implementation of more stringent environmental

regulations has the potential to improve the overall quality of urban economic growth. The results of heterogeneity testing indicate that there are no significant regional disparities in the promotional impact of environmental regulation on the quality of economic development. This suggests that the government's environmental regulation plan can be successfully implemented to foster high-quality development.

<https://www.sciencedirect.com/science/article/abs/pii/S0313592623002813>

#### **56. Does effective corporate governance mitigate the negative effect of ESG controversies on firm value?**

**Abstract:** This study examines the effect of corporate governance on the relationship between ESG controversies and firm value. Panel data consisting of 883 non-financial Chinese listed firms from 2018 to 2022 are analyzed. We find a significant and negative impact of ESG controversies on firm value. The presence of effective corporate governance is found to mitigate the negative impact of ESG controversies on firm value. We explore the influence of internal governance factors and external corporate governance factors respectively. These findings have important policy implications for managers and practitioners by supporting the idea of companies adopting appropriate corporate governance practices that can effectively mitigate the negative effects of corporate controversies.

<https://www.sciencedirect.com/science/article/abs/pii/S0313592623002990>

#### **57. The road to entrepreneurship: The effect of China's broadband infrastructure construction**

**Abstract:** Using nationwide data from 2005 to 2017, this paper analyzes the causal effect of the "Broadband China" pilot policy on entrepreneurship based on a difference-in-differences approach. We find that information infrastructure construction significantly enhances entrepreneurship, which is robust under different settings. A mechanism exploration suggests that constructing information infrastructure benefits information acquisition, knowledge spillovers, and risk-taking behavior, which illustrate the internal mechanism of promoting entrepreneurship. Taken together, this paper supports the positive role of the digital economy in the promotion of entrepreneurship in addition to providing new insights into the construction of information infrastructure to support entrepreneurship.

<https://www.sciencedirect.com/science/article/abs/pii/S0313592623002850>

#### **58. Going public and innovation: Evidence from the ChiNext stock market**

**Abstract:** Innovation can drive corporate value and enhance competitiveness. Due to the high risks, long-term nature, and exclusivity of innovative projects, it is difficult for companies to meet Research & Development investment needs through internal funding. This paper investigates the effects of going public on innovation using the Difference-in-Differences approach. We find going public can prompt corporate innovation, and this positive effect is achieved through three channels: alleviating financing constraints, accumulating human capital, and mitigating agency problems. The analysis reveals a complex trade-off between public and private ownership. It enriches the research on the impact of IPO behavior on innovation and provides new empirical evidence to improve the multi-level capital market.

<https://www.sciencedirect.com/science/article/abs/pii/S0313592623002175>

### **59. The instability of U.S. economic policy: A hindrance or a stimulus to green financing?**

**Abstract:** This article aims to evaluate whether green bonds can hedge the policy uncertainty risk and enhance the stability of the U.S. economic environment. The findings evidence that GB is positively influenced by EPU, suggesting that policy uncertainty risk stimulates the growth of green financing. This outcome is supported by the general equilibrium model, which indicates that EPU has specific influences on GB. Moreover, the GB market has an early warning effect on the economic situation, which can be a barometer reflecting EPU fluctuations. GB has become an essential asset for investors in the ongoing global economy and financial market turbulence. Hence, when formulating economic policies, the government should consider the impact of policy changes on the GB market and offset the negative influences of policy fluctuations.

<https://www.sciencedirect.com/science/article/abs/pii/S0313592623001820>

### **60. Does environmental information disclosure affect green innovation?**

**Abstract:** This paper tests the influence of environmental information disclosure on green innovation and the regulating role of digital transformation. Results show that EID has a positive impact on GI and that the relationship is significantly influenced by corporate digital transformation. This study contributes to the literature on the perspective of firm-level voluntary information disclosure and proposes a more comprehensive logical analysis framework for the effect of EID on GI. Digital transformation can assist companies in identifying and disclosing environmental information more accurately, which increases the effectiveness of EID. Lastly, the findings emphasize the policy implications of utilizing digital technology for EID and the vital role of government regulation and guidance in EID.

<https://www.sciencedirect.com/science/article/pii/S0313592623001789>

### **61. Are energy consumption and carbon emission caused by Bitcoin? A novel time-varying technique**

**Abstract:** This analysis innovatively uses the time-varying parameter-stochastic volatility-vector auto-regression system to identify the dynamic interrelation among Bitcoin price, carbon emission and energy consumption. The outcomes underline that Bitcoin price exerts positive influences on carbon emission and energy consumption most of the time, indicating that high Bitcoin price might increase energy demand to mine Bitcoin, and this process also emits carbon dioxide. However, the negative effects, mainly during periods with an immature Bitcoin market and the past two years, suggest that seasonal factors, economic situation and extreme climate also influence energy consumption and carbon emission. Additionally, there is an intermediate effect of Bitcoin price on carbon emission through energy consumption.

<https://www.sciencedirect.com/science/article/abs/pii/S0313592623001893>

### **62. Government environmental attention and carbon emissions governance: Firm-level evidence from China**

**Abstract:** This paper explores the impact of GEA on firms' carbon emissions governance. We observe that the increase in GEA cuts firms' carbon emissions. The results remain solid after using the instrumental variable method to alleviate endogeneity problems. The mechanism

analysis reveals that GEA reduces firms' carbon emissions via three environmental-related decision-making behaviors of government: environmental regulations, fiscal expenditure and subsidy policies, and energy structure transformation strategies. This study provides a reference for policymakers to ensure the enforcement of carbon emissions governance of firms and to reach carbon abatement targets.

<https://www.sciencedirect.com/science/article/abs/pii/S0313592623001832>

### **63. The effects of external supervision on firm-level environmental innovation in China: Are they substantive or strategic?**

**Abstract:** We examine the influence of three types of supervision on environmental innovation and the moderating role of alertness. Selecting 344 firms as the sample and using multiple regression analysis, we find that law enforcement supervision and media supervision can promote firms' substantive eco-innovation that aims at achieving long-term environmental technology progress, and strategic eco-innovation that pursues short-term approach to environmental development, whereas public supervision only has a positive effect on firms' substantive eco-innovation. Further findings demonstrate that alertness can enhance the positive effect of media supervision on firms' substantive and strategic eco-innovation.

<https://www.sciencedirect.com/science/article/abs/pii/S0313592623002011>

### **64. How does stakeholder loss aversion affect the promotion of green housing?**

**Abstract:** Incorporating the principles of loss aversion psychology within the context of green housing stakeholders – the government, realtors, and residents – this study extends its purview into an evolutionary game model. This model takes into account the consequences of inaction in the absence of government oversight, the additional loss incurred by realtors due to the unmarketable development of green housing, and the psychological loss experienced by residents when their green housing acquisitions fall short of their expectations. Conversely, a diminished loss aversion mindset among realtors and residents correlates with an increased propensity for realtors to invest in green housing development, while residents are more inclined to purchase green housing.

<https://www.sciencedirect.com/science/article/abs/pii/S0313592623002229>

### **65. Exchange rate volatility predictability: A new insight from climate policy uncertainty**

**Abstract:** This paper explores whether climate policy changes and their extreme observations, as well as the short-term asymmetry of exchange rate volatility, can help predict future exchange rate volatilities. We find significant asymmetries in the short-term components of exchange rate volatility, especially in the USD-CNY exchange rate and the USD-EUR exchange rate. Multiple out-of-sample forecasting tests show that models incorporating extreme values of climate policy uncertainty exhibit superior forecasting performance. This paper provides valuable insights for stakeholders to make informed decisions and optimize strategies in the face of uncertain climate policies.

<https://www.sciencedirect.com/science/article/abs/pii/S0313592623002242>

### **66. Carbon emissions abatement with duopoly generators and eco-conscious consumers: Carbon tax vs carbon allowance**

**Abstract:** This paper compares two main emission reduction policies — carbon tax and carbon allowance in a market with two asymmetric generators and a group of heterogeneous eco-conscious consumers. Despite the widespread belief that environmental advocacy hurts economic performance and social welfare, we find that both policies improve social welfare due to price increases or production restrictions. And when neither generator has a significant cost advantage, the social welfare under carbon allowance is higher than that under carbon tax, and the total carbon emissions are lower. Through numerical analysis, the optimal emission reduction strategies of the government under different conditions are determined.

<https://www.sciencedirect.com/science/article/abs/pii/S0313592623002291>

### **67. Superior administration's environmental inspections and local polluters' rent seeking: A perspective of multilevel principal-agent relationships**

**Abstract:** This paper uses the excess management expenses as the proxy variable for rent-seeking to investigate the correlation between the superior administration's environmental inspections and the local polluters' rent-seeking, based on a quasi-natural experiment during 2011–2019 involving environmental inspections conducted by China's central government. The mechanism analysis indicates that public concerns and corporate bargaining power have positive moderating effects on the implementation of superior inspections. These findings provide empirical support and policy implications for improving multilevel governance in local environmental issues.

<https://www.sciencedirect.com/science/article/abs/pii/S0313592623002308>

### **68. Does green credit policy matter for corporate exploratory innovation? Evidence from Chinese enterprises**

**Abstract:** We utilize data from China's listed enterprises from 2007 to 2017 to examine the impact of GCP on exploratory innovation using the PSM-DID method. We find that GCP significantly boosts corporate exploratory innovation, particularly for state-owned enterprises, industries with high capital intensity, and enterprises located in the central region of China. Additionally, GCP facilitates corporate exploratory innovation by effectively increasing R&D investment. Lastly, although higher financing constraints generally have a detrimental effect, the impact of GCP on corporate exploratory innovation becomes more pronounced as the degree of financing constraints increases.

<https://www.sciencedirect.com/science/article/abs/pii/S031359262300231X>

### **69. The impact of green quality of the energy consumption on carbon emissions in the United States**

**Abstract:** This paper investigates the impact of energy consumption's Green Quality Index on carbon dioxide emissions in the United States from 1970 to 2021. At this point, the estimated models control for the effects of gross domestic product per capita, urban population, and globalization on CO emissions. However, GDP per capita and urban population are positively related to CO emissions in the short- and long-run. Different estimation techniques confirm the long-run baseline findings. Potential policy implications for reducing CO emissions in the United States are also provided.

<https://www.sciencedirect.com/science/article/pii/S0313592623002333>

### **70. Balancing crop security and sustainable cropland use: Policy lessons from the Watershed Ecosystem Service Payments in Xin'an River, China**

**Abstract:** This study investigates the impact of Payments for Watershed Ecosystem Services (PWS) on the sustainable utilisation of cropland and crop security in Huangshan City, which is the primary implementation area for the Payments for Xin'an River Watershed Ecosystem Services pilot in China. Using a two-stage analytical framework along with a quasi-natural experiment, the research examines the policy's effectiveness in Huangshan. Further support from permutation, regional, and temporal placebo examinations affirm these conclusions. This work implies that PWS may be extended to other agriculturally vulnerable regions to foster a balanced alignment between sustainable growth and the enhancement of crop security.

<https://www.sciencedirect.com/science/article/abs/pii/S0313592623002369>

### **71. Does technological innovation bring better air quality?**

**Abstract:** This paper analyses the interrelation between technological innovation and air quality using the bootstrap rolling-window subsample Granger test for China. We find that *TI* has a twofold impact on *AQ*. On the one hand, *TI* brings better *AQ*. This result proves the technique effect, indicating that *TI* can improve *AQ* by directly reducing air pollutants emissions and facilitating clean energy use. This study provides important policy implications for coordinating innovation and environmental conservation to achieve sustainable development.

<https://www.sciencedirect.com/science/article/abs/pii/S0313592623002412>

### **72. Does global warming affect unemployment? International evidence**

**Abstract:** A global perspective is taken to explore the effect of global warming on the unemployment rate in 95 countries from 1992–2020. The robust results show that global warming raises the unemployment rate through the inflation rate, agricultural production and urbanization. The results also show that the unemployment rate increases with global warming in countries at latitudes between 20 and 40 degrees, while a negative effect exists at latitudes greater than 40 degrees. Additionally, global warming has a significant effect on male unemployment but not on female unemployment. Furthermore, global warming has a significant positive effect on unemployment in middle-income countries compared to its effect in low- and high-income countries. Our research has value as a reference for the economic impacts of global climate change.

<https://www.sciencedirect.com/science/article/abs/pii/S0313592623002357>

### **73. The impact of environmental regulation on carbon emissions: Evidence from China**

**Abstract:** This paper is the first study to explore the effects of ER on CO<sub>2</sub> emissions by exploiting the National Environmental Protection 11th Five-Year Plan (NEP11-FYP). The implementation of the NEP11-FYP significantly decreases CO<sub>2</sub> emissions by 19.73% in key environmental cities relative to other cities. The results of the spatial externality of the NEP11-FYP demonstrate a positive spillover effect in neighboring cities within a distance of 300 km and a negative spillover effect in cities more than 500 km away. Our empirical findings provide policy implications for implementing low-carbon transition strategies and reducing CO<sub>2</sub> emissions.

<https://www.sciencedirect.com/science/article/abs/pii/S0313592623002394>

#### **74. What role does global value chain participation play in emissions embodied in trade? New evidence from value-added trade**

**Abstract:** This study recalculates the emissions embodied in exports of developing countries using the multi-regional input-output model (MRIO), and analyzes the influencing mechanisms between the GVC and embodied emissions arising from four transmission paths: export scale, industrial structure, technological progress, and environmental regulation. The results show that there is an inverted U-shaped nonlinear relationship between the degree of GVC embeddedness and the carbon emissions of developing countries. Consequently, a low degree of participation in the GVC is not conducive to the improvement of a country's ecological environment; conversely, when GVC participation exceeds the inflection point, it helps to reduce the scale of embodied emissions.

<https://www.sciencedirect.com/science/article/abs/pii/S0313592623002655>

#### **75. Spatial externality of journalism on carbon efficiency: A quasi-natural experiment based on interplay of journalism-based professionally generated content and digital economy**

**Abstract:** This research studied the spatial externality of journalism-based professional generated content on carbon emission efficiency, and analyzes the interplay effect of journalism-based professional generated content (JPGC) and digital economy on carbon efficiency based on spatial econometric model. This research further studied the causal effect of carbon emissions trading pilots on carbon emission efficiency based on cross-function of journalism-based professional generated content (JPGC) and digital economy by using quasi-natural experiment. This research develops a inter-disciplinary study to low carbonization in green economy from linguistic perspective in public administration supported by social media.

<https://www.sciencedirect.com/science/article/abs/pii/S0313592623002564>

#### **76. Evaluation of technology innovation efficiency for the listed NEV enterprises in China**

**Abstract:** This paper introduces a framework for evaluating the technology innovation efficiency of NEV enterprises based on data envelopment analysis (DEA), meta-frontier, and tobit regression. Then, the technology innovation efficiencies of 45 vehicle, battery, and motor & electronic control NEV enterprises are analyzed. The results show that: the overall technology innovation capability of Chinese new energy vehicle enterprises is not strong, especially regarding economic transformation. Different types of enterprises have different technology gap ratios in the two stages. The technology innovation efficiency level of motor and electronic control enterprises is relatively weak in the new energy vehicle industry. Many measures can be implemented to help improve technology innovation efficiency: encouraging the large-scale development of enterprises.

<https://www.sciencedirect.com/science/article/abs/pii/S0313592623002539>

#### **77. Can poverty alleviation policy enhance ecosystem service value? Evidence from poverty-stricken regions in China**

**Abstract:** This study aims to fill this research gap by examining the impact of China's Poverty Alleviation Policy on ecosystem service values in 51 impoverished counties from 2011 to 2019. Our analysis reveals that the Poverty Alleviation Policy effectively enhances ecosystem service

values in poverty-stricken areas, and the fiscal pressure faced by local governments significantly influences the policy's effectiveness in boosting ecosystem service values. Notably, we also find that environmental management policies demonstrate a greater capacity to enhance ecosystem service values in poverty-stricken regions compared to industrial development-led poverty-reduction policies.

<https://www.sciencedirect.com/science/article/abs/pii/S0313592623002795>

### **78. How to improve global environmental governance? Lessons learned from climate risk and climate policy uncertainty**

**Abstract:** The analysis uses the full- and sub-sample methodologies to recognise the correlation between Southern Oscillation Index and U.S. climate policy uncertainty. The quantitative analysis shows favorable and adverse effects from SOI to CPU, where the La Nina phenomena accompany the positive impacts, and the negative influences are related to the El Nino events. This conclusion highlights that climate change risks would bring more uncertainties to climate policies in the U.S., which is not conducive to enhancing global environmental governance. Under the severe climate crisis and extreme weather background, this discussion would put forward significant lessons for improving global environmental governance by effectively preventing and responding to climate changes, ensuring the continuity and consistency of climate policies, and strengthening international cooperation on climate change.

<https://www.sciencedirect.com/science/article/abs/pii/S0313592623002916>

### **79. Does the implementation of a Pigouvian tax be considered an effective approach to address climate change mitigation?**

**Abstract:** This paper investigates the viability of environmental taxes as a means to mitigate greenhouse gas emissions within the European Union (EU) using the panel threshold model on two balanced panel data comprising countries from the European Union: the Northern and Western countries and Southern and Eastern countries for the period 2000–2020. The study's empirical results support the Pigouvian theory for developed countries, as they indicate an optimal minimum threshold for environmental taxes, where these taxes effectively contribute to reducing greenhouse gas emissions. By integrating these various measures, policymakers can better navigate the path toward climate neutrality and effectively combat climate change in the EU and beyond.

<https://www.sciencedirect.com/science/article/abs/pii/S0313592623002837>

### **80. Regional development, agricultural industrial upgrading and carbon emissions: What is the role of fiscal expenditure? —Evidence from Northeast China**

**Abstract:** In this study, the PVAR and Han-Phillips GMM dynamic SDM models as well as urban panel data of Northeast China from 2007 to 2021 were used to explore the response mechanisms and spatial effects in the logical framework of “Regional development - Agricultural industrial upgrading-Carbon emissions”, and to analyze the effect of fiscal expenditure on agricultural carbon reduction and climate risk management. Currently, agricultural carbon reduction in China faces difficult challenges because of the time and spatial interactions. This study supports the practice of agriculture carbon reduction and provides a

new perspective for detailed analysis of the effect of fiscal expenditure on regional and industrial development.

<https://www.sciencedirect.com/science/article/abs/pii/S0313592623002977>

### **81. Locational and market value of Renewable Energy Zones in Queensland**

**Abstract:** This article presents new information about the nine proposed REZ across the region and their utility in supplying energy as the incumbent fleet of baseload generators is forecast to retire. Understanding their locational and market value provides insight into the underlying cost of energy and its ability to satisfy energy demands. The recent entry cost shocks impacting the VRE industry in the post-pandemic recovery have been quantified, where increases of 23%–44% to the cost of energy have been observed. These increases have been driven by shifts in the capital and operating costs for new projects, which are compounded by the simultaneous increases to the cost of capital.

<https://www.sciencedirect.com/science/article/pii/S0313592623001935>

### **82. The fiscal implications of stringent climate policy**

**Abstract:** Stringent climate policy compatible with the targets of the 2015 Paris Agreement would pose a substantial fiscal challenge. Reducing carbon dioxide emissions by 95% or more by 2050 would raise 7% (1%–17%) of GDP in carbon tax revenue, half of current, global tax revenue. Revenues are relatively larger in poorer regions. Subsidies for carbon dioxide sequestration would amount to 6.6% (0.3–7.1%) of GDP. These numbers are conservative as they were estimated using models that assume first-best climate policy implementation and ignore the costs of raising revenue. The fiscal challenge rapidly shrinks if emission targets are relaxed.

<https://www.sciencedirect.com/science/article/pii/S0313592623002114>

### **83. Challenges in the energy transition: How does household registration identity affect public participation in environmental affairs in China?**

**Abstract:** This paper contributes to the understanding of differences in environmental participation among urban residents who hold varying types of household registration (namely, *hukou*) identity. Drawing on large-scale survey datasets and the technique of matching, the study finds that: The environmental engagement of migrants is less active than those owning *hukou*, Migrants' duration of residence, household income, and the level of barriers to obtaining local *hukou* moderate the above relationship, and The lack of social trust and sense of belonging that comes with the absence of *hukou* identity are channels constraining migrants' environmental involvement.

<https://www.sciencedirect.com/science/article/abs/pii/S0313592623002576>

## **World Development (Vol. 176)**

<https://www.sciencedirect.com/journal/world-development>

### **01. Political trust and government performance in the time of COVID-19**

**Abstract:** This paper advances a co-production perspective, arguing that citizens' predisposition to support and comply with government policies has played a crucial role in shaping countries' pandemic performance. We show that the numbers of casualties from

the pandemic are significantly lower in societies where citizens have greater trust in their governments. Additional analyses suggest that higher political trust contributes to both greater compliance with mitigation measures by citizens and more decisive response by government. These findings underscore the importance of citizen—government collaboration for effective governance and the perils of declining political trust in advanced democracies.

<https://doi.org/10.1016/j.worlddev.2023.106499>

## **02. Is the conventional wisdom on resource taxation correct? Mining evidence from African countries' tax legislations**

**Abstract:** This study re-examines the link between country risk and government takes, following research by Adebayo et al. We study the mining tax policy choices in an environment of uncertainty and risk country for twenty-one African gold-producing countries. We calculate a de jure government take based on the complete application of laws and regulations for three “representative mines”. Our results reconcile Adebayo et al.'s theoretical model with empirical results. Higher country risk is associated with lower de jure government take. We then introduce each political component of country risk and its interaction term to track transmission channels.

<https://doi.org/10.1016/j.worlddev.2023.106517>

## **03. Do conditional cash transfers create resilience against poverty? Long-run evidence from Jamaica**

**Abstract:** A major objective of Conditional Cash Transfer programs is breaking the cycle of intergenerational poverty and building a population resilient to adverse shocks that may push a person into poverty. The literature to date has not provided conclusive evidence for the long-run impact of CCT programs on beneficiaries' resilience against poverty. To fill this gap, I exploit the age-based eligibility thresholds and regional variation in the proportion of persons receiving benefits from the Jamaican CCT program to identify its long-run impact on resilience against poverty. I find that child beneficiaries of the program are up to 8.4 percentage points more resilient against poverty when they become adults than they would have been in the absence of the program. This study provides further justification for the expansion of CCTs or similar programs targeting children living in less-developed countries.

<https://doi.org/10.1016/j.worlddev.2023.106513>

## **04. State and NGO coproduction of health care in the Gran Chaco**

**Abstract:** Our study is based on a recent collaboration between the states of Argentina, Bolivia, and Paraguay and two health care NGOs that provide prenatal care to women in the Gran Chaco. In this region, a large portion of the population is Indigenous and maternal and infant mortality are high. We evaluate if there is complementarity between the state and the NGOs regarding access to preventive health care, diagnosis and treatment, and human resources in the health sector. We find that this medical intervention significantly improves access to and delivery of health care to pregnant women, and promotes attention to neglected diseases such as Chagas.

<https://doi.org/10.1016/j.worlddev.2023.106502>

### **05. Changes in adult well-being and economic inequalities: An exploratory observational longitudinal study (2002–2010) of micro-level trends among Tsimane', a small-scale rural society of Indigenous People in the Bolivian Amazon**

**Abstract:** We selected 13 Tsimane' villages (from ~ 100) that varied in proximity to town and surveyed all households in each village. ~ 240 households were followed yearly to estimate trends of 21 outcomes. For each economic outcome, annual and all-years-combined Gini coefficients were estimated for the entire sample across the 13 villages. We show a rise in total asset wealth, a change in asset composition, higher monetary value of foods eaten, and better-perceived health, but a decline in caloric and protein consumption and no marked gender differences in objective or hedonic measures of well-being. We document the value of longitudinal, locally grounded indexes of well-being to obtain a granular view of micro-level changes in well-being and the possible use of inequality in the consumption of calories and macronutrients as a valid proxy for income inequality in rural areas of the Global South with tenuous links to the market economy.

<https://doi.org/10.1016/j.worlddev.2023.106518>

### **06. Status inequality and public goods**

**Abstract:** The association between social diversity and state-provided public goods is a central political economy problem. This paper highlights how status inequality is a distinct political channel when diverse groups are spatially segregated. Social status impacts citizens' ability to petition the state successfully and modulates state favoritism or discrimination. We use data from nearly 600,000 Indian villages to show that caste-based status inequality modifies the effect of diversity on local public goods politics. Diversity only negatively impacts local public goods in units where lower-caste groups are numerically preponderant. Such diversity deficit is further amplified when higher-caste groups numerically dominate larger administrative units and lower-caste groups are segregated.

<https://doi.org/10.1016/j.worlddev.2023.106526>

### **07. United Nations peacekeeping operations and multilateral foreign aid: Credibility of good governance**

**Abstract:** This study argues that UN PKOs mitigate such uncertainty by initiating democratization, capacity-building, and political participation while mitigating political violence, thereby increasing the multilateral aid inflows. In missions involving these initiations, multilateral aid effectively enhances governance quality. These arguments are tested using a sample of countries that have experienced civil wars between 1991 and 2009. The findings suggest that UN PKOs increase the multilateral aid inflows. Moreover, increasing multilateral aid is more effective in improving the governance quality when missions have capacity-building or electoral tasks.

<https://doi.org/10.1016/j.worlddev.2024.106531>

### **08. Spatial education inequality for attainment indicators in sub-saharan Africa and spillovers effects**

**Abstract:** In this paper, we account for social dependence among communities to assess spatial education inequalities for the sub-Saharan Africa (SSA) region by relying on the geo-

localisation of 16,000 communities for 29 countries based on DHS surveys. We use an array of education indicators across the lifecourse (completion rates from primary to tertiary) and measures of attainment and for risk of dropout (primary over-age), allowing us to measure how spatial dependence of educational outcomes changes at varying levels of education. The overarching implication of our study is that commonly used geographical categories of rural–urban, or regions within countries are not adequate to address educational challenges and studies should place more emphasis on GIS-based analysis.

<https://doi.org/10.1016/j.worlddev.2023.106522>

### **09. Reducing energy poverty by nearly universal pension coverage of rural China**

**Abstract:** This paper estimates the causal effect of income change on reducing energy poverty by exploiting age-based eligibility for China’s New Rural Pension Scheme (NRPS) through a regression discontinuity (RD) design. More than one billion people worldwide live-in energy poverty, and the situation is even more difficult in developing world. It is an important development challenge to reduce energy poverty, which could be further associated with health outcome, labor productivity, and educational achievements. While public policies that increase income for poor households are the most direct ways to reduce energy poverty, the reverse causality makes establishing a convincing causal link between income and energy poverty challenging. We anticipate that the findings of this paper in the context of China may be extended to developing world which has been expected to set up targeted measures to tackle energy poverty in upcoming decades.

<https://doi.org/10.1016/j.worlddev.2023.106524>

### **10. The economic impact of CGIAR-related crop technologies on agricultural productivity in developing countries, 1961–2020**

**Abstract:** This paper brings together an expanded set of evidence on the diffusion and productivity impact of CGIAR crop research through 2020, and breaks out these impacts by crop, region, and over time. By 2016–2020, CGIAR-related crop technologies had been adopted on at least 221 million hectares across Asia, Africa and Latin America, generating economic welfare gains of \$47 billion annually. In the 2010s, technology adoption and welfare impacts were increasing by about \$600 million annually, almost as much as in the 1990s. In addition to raising farm income, productivity gains in staple crops have lowered food prices, thereby benefitting the whole population. This is a key reason why agricultural productivity growth, and food crop productivity growth in particular, has had greater impacts on poverty reduction in low-income countries than comparable productivity growth in other sectors.

<https://doi.org/10.1016/j.worlddev.2023.106523>

### **11. Capital Markets, Temporary Migration and Entrepreneurship: Evidence from Bangladesh**

**Abstract:** This paper examines international temporary migration as an intermediary step among aspiring entrepreneurs to accumulate the needed capital when they face credit constraints at home. The analysis is based on a representative dataset of lifetime employment histories of return migrants from Bangladesh. After establishing the credit

constraints that potential entrepreneurs face, the paper shows that non-agricultural self-employment rates are significantly higher among returning migrants - over half versus around 20% of non-migrants. The paper then offers, for the first time, a detailed account of the financial costs and benefits of international migration. Our findings suggest that temporary migration can contribute to structural transformation of lower-income countries by enabling credit-constrained workers to enter into non-agricultural entrepreneurship.

<https://doi.org/10.1016/j.worlddev.2023.106505>

## **12. Revisiting the Income Inequality-Crime Puzzle**

**Abstract:** The economics literature generally supports a positive theoretical link between income inequality and crime. To address this puzzle, I conducted a meta-analysis based on 1,341 estimates drawn from 43 studies in economics journals. The findings indicate a statistically significant but economically insignificant true effect of inequality on crime, ranging between 0.007 and 0.123 using UWLS FAT-PET and advanced methods. In essence, if there is an impact of inequality on crime, it is, at best, minimal. The implications of this research suggest that inequality may not be the primary motivator for criminal behaviour, with other factors potentially playing more significant roles. Lastly, if inequality does affect crime, it might do so in different ways than those discussed by the majority of the existing empirical studies.

<https://doi.org/10.1016/j.worlddev.2023.106520>

# **Journal of Public Economic Theory (Vol. 26.1)**

<https://onlinelibrary.wiley.com/toc/14679779/2024/26/1>

## **01. Strategic interaction in the market for charitable donations: The role of public funding**

**Abstract:** Government financing of charities influences their fundraising and private donations. To analyze competition between charities, we modify the model of fundraising introduced by Andreoni and Payne, where there are two groups of donors and two charities. We concentrate on warm-glow motivation for giving and highlight strategic interaction in the market for donations. We show that block grants can change the nature of the competition, making fundraising strategic substitutes if grants exceed fixed costs. A charity receiving a grant will optimally reduce its fundraising, but the level of service provision will also be affected by the fact that the competing charity will solicit more intensively.

<https://doi.org/10.1111/jpet.12681>

## **02. Pricing energy consumption and residential energy-efficiency investment: An optimal tax approach**

**Abstract:** We analyze a Pareto optimal income tax problem à la Mirrlees in which households consume three types of goods: energy goods, energy-efficient investments, and nonenergy goods. The two main ingredients of our normative analysis are: (i) an indirect relationship between energy and the satisfaction of energy needs, as energy-efficient investments transform energy into services, such as light, heating, and air conditioning; and

(ii) imperfect information of the policy designer as regards the level of energy efficiency of households' housing and their labor market productivity. Each household differs with respect to these two latter characteristics, and the government designs a nonlinear income tax combined with energy and energy-efficient investment nonlinear pricing that maximizes a weighted sum of households' utilities.

<https://doi.org/10.1111/jpet.12655>

### **03. Price and variety in the Salop model**

**Abstract:** Using a Salop circle model, this research analyzes the welfare implications of firm/product entry with information provision by consumers. While firms use consumer information to target sales efforts, consumers face privacy trade-offs when providing their personal information. We show that (i) price and profit first increase, then decrease with more varieties; (ii) consumer welfare, affected by price, sales effort, privacy loss, and matching effects, first decreases, then increases with firm entry; (iii) equilibrium information is socially optimal given the number of varieties; and (iv) if the variable cost of providing sales assistance is low (high), free entry leads to too much (few) varieties and too little (more) information, from a social welfare standpoint.

<https://doi.org/10.1111/jpet.12675>

## **International Review of Economics and Finance (Vol. 90 continues)**

<https://www.sciencedirect.com/journal/international-review-of-economics-and-finance/vol/90/suppl/C>

### **01. How do government subsidies affect OFDI of private enterprises? Evidence from China**

**Abstract:** Compared with state-owned enterprises, private enterprises generally face strict financing constraints, especially in the process of internationalization which have a greater demand for funds. At the meantime, we focus on how government subsidies, as a form of financial support, affect the outward foreign direct investment of private enterprises. Using micro-data from the CSMAR database covering private listed companies from 2013 to 2017, this empirical study reveals that government subsidies positively promote OFDI of private enterprises. Moreover, financing constraints have an adverse effect on OFDI, but government subsidies help mitigate this effect.

<https://doi.org/10.1016/j.iref.2023.12.005>

### **02. Index measurement and analysis on spatial-temporal evolution of china's new economy based on the DPSIR model**

**Abstract:** We evaluate the development level of China's new economy in various regions by building an evaluation index system based on the DPSIR model. We analyze the spatiotemporal evolutionary characteristics of the new economic development. We show a steady upward trend in the level of development, but regional differences are significant and expand over time. Affected by spatial factors, the development of high-level areas in

surrounding areas has a clear driving effect. Measures are needed to improve local conditions, fully utilize the economic radiation effect of the eastern region, and develop the unique advantages of the central and western regions.

<https://doi.org/10.1016/j.iref.2023.11.010>

### **03. Assessing the impact of climate policy on energy security in developed economies**

**Abstract:** This study presents a new methodology investigating the temporal relationship between climate policy measures and energy security indicators in developed economies. Therefore, this study looks into the role of time connectivity in the relationship between climate policy and energy security in developed economies understanding how energy security and climate policy interact is essential for developing policies in these two crucial areas of sustainable development. The results underline the importance of time connectivity in comprehending the complex and dynamic relationship between climate, energy, and security. The study adds to the body of knowledge by offering policymakers in developed economies empirical data and insights to improve energy security through efficient climate policy measures.

<https://doi.org/10.1016/j.iref.2023.11.006>

### **04. Executives with business education background and cost of debt financing: Evidence from China**

**Abstract:** We have examined the impact of executives possessing a business education background on the cost of debt financing. Our findings reveal that executives with such background significantly elevate the cost of debt financing, and the conclusion remains consistent after a series of robustness tests. Moreover, we observe this impact is particularly pronounced among chairmen of non-state-owned enterprises, and is more substantial in environments characterized by weaker internal and external regulatory frameworks. We identify that executives with a business education background contribute to an increased cost of debt financing by escalating financial risk, information asymmetry, and agency costs. This paper furnishes empirical evidence that enhances our comprehensive understanding of the cost of debt financing and its determinants.

<https://doi.org/10.1016/j.iref.2023.12.002>

## **International Journal of Health Economics and Management**

<https://www.tandfonline.com/toc/rjap20/29/1>

### **01. Misplacing social capital in women's economic wellbeing - the experience of microcredit from Bangladesh**

**Abstract:** This study finds that the Grameen Bank both uses and fosters borrowers' pre-existing social ties in the community to ensure payments. Borrowers who intensively use social capital to repay loans deplete their opportunities to sustain business and daily survival. They utilize both horizontal and vertical social ties to repay loans and mobilize

resources to run and grow businesses. While most borrowers lack and fail to use social capital, better-off borrowers can use social capital for businesses. Conflicts between borrowers to assist loan defaulters also prevent them from using social capital for businesses. Although social ties help some borrowers derive an income from loans, they provide the bank with a mechanism to enforce payments. This in turn depletes borrowers' economic wellbeing. <https://doi.org/10.1080/13547860.2021.2024381>

## **02. Business experience and local government size: evidence from China**

**Abstract:** This article documents the determinants of local government size corresponding with the work experience of political leader. Utilizing the city level data on the size of government and political officials in China, government size is found to be negatively associated with local political leaders' work experience in business. This relationship holds more firmly in poor cities or those with stronger fiscal decentralization. Moreover, we find evidence supporting that both fiscal decentralization and the size of public funded system contribute to the expansion of government.

<https://doi.org/10.1080/13547860.2021.1992092>

## **03. Impact of fiscal transfers policy on regional growth convergence in India**

**Abstract:** This study is an attempt to empirically analyze the effect of fiscal transfers on growth and regional growth convergence in India during 2005–2019, using the standard growth convergence model for panel data. Results indicate the growth convergence across Indian States. The regional income gaps reduced at a rate of 17.7–31.9% per annum. The fiscal transfers contribute to the growth of 22 out of 29 States and also contribute significantly to the convergence. Moreover, there is strong evidence for convergence across General Category States and across Special Category States. The average income growth is higher in Special Category States and higher in post global crisis period. It is our hope that these results will be useful to policymakers and other stakeholders to take appropriate strategies to design fiscal transfer policy such that it will speed up the convergence process in India.

<https://doi.org/10.1080/13547860.2021.1991089>

## **04. Fiscal decentralization and interregional Capital misallocation: evidence from China**

**Abstract:** The empirical results based on provincial level panel data suggest that fiscal decentralization can lower inter-city capital misallocation while revenue decentralization performs better than expenditure decentralization. We further find that this positive effect is more significant and much larger when it is the market rather than government intervention that is driving the flow of capital. The results are robust to subsample regressions, IV estimations, spatial autoregressions and alternative measurement of interregional misallocation

<https://doi.org/10.1080/13547860.2021.1996676>

## **05. Determining fiscal equalization transfers for elementary education to Indian States**

**Abstract:** This study attempts to determine the fiscal equalization transfers for elementary education using data for 27 Indian States from 2011–12 to 2017–18 and panel data methodology, based on a model adapted from Australia's expenditure equalization mechanism. It is found that States with larger fiscal capacity tend to spend more on elementary education and the existing transfers mechanism has failed to compensate the lagging States. The results reveal that Bihar, West Bengal, Uttar Pradesh, Jharkhand, Madhya Pradesh and Maharashtra have a relatively large expenditure gap. Given the magnitude of the Centre's budget, the estimated additional transfers seem to be feasible. The findings of the study will be useful for policymakers and other stakeholders to create appropriate fiscal transfers strategies that can enable all Indian States to provide a standard level of elementary education.

<https://doi.org/10.1080/13547860.2021.2012981>

## **06. Can India universalize social insurance before its demographic dividend ends?**

**Abstract:** About 91% of India's workforce of 520 million is informal, lacking social insurance. However, this paper finds the Social Security Code 2020 wanting, but with potential for universalizing social insurance. The paper spells out the principles that should guide social insurance for informal workers; and presents the design and architecture for extending coverage. It shows how realistically, over the next 10–15 years, social insurance could cover the entire workforce, in accordance with ILO Conventions. It also estimates the fiscal cost of social insurance, for the first five years, and spells out the political economy, fiscal and administrative challenges to universalisation.

<https://doi.org/10.1080/13547860.2023.2264645>

## **07. Investment responses to trade liberalization: impact of CKFTA**

**Abstract:** This project contributes to the studies previously conducted on the subject and adds information regarding countries with different peculiarities, such as Canada, better known for being the main trading partner of the USA and major producer of commodities, and South Korea, which for some decades has invested to become a reference in technology and world innovation. In line with previous studies, a negative and statistically significant relationship was found between investment and trade liberalization, an effect that was verified mainly for those establishments that are far from the frontier of the sector in which they operate, and for the firms in the frontier this effect is positive.

<https://doi.org/10.1080/13547860.2021.2009630>

## **08. Selective industrial policy and capital misallocation: evidence from the 'Revitalization Plan for Ten Industries' in China**

**Abstract:** It is found that the RPTI significantly exacerbates capital misallocation and that the effect does not disappear when the RPTI ends. Mechanism analysis indicates that the RPTI significantly increases the capital productivity of firm groups with high capital

productivity but significantly reduces the capital productivity of firm groups with low capital productivity. This can be further interpreted by a decrease or an increase of inefficient investment and financial constraints faced by the corresponding firm groups. The documented relationship is stronger in state-owned enterprises and in firms located in areas of high marketization. Our findings advance the understanding of governmental policy intervention in developing countries.

<https://doi.org/10.1080/13547860.2021.2010378>

### **09. Carbon emissions, consumption structure upgrading, and high-quality economic development: empirical evidence from China**

**Abstract:** Environmental influence on the economy can be enhanced by consumption upgrading, transforming the key driver of economic development from supply to demand. This study constructs a model for consumption upgrading and applies threshold regression based on the susceptible–infectious–recovered (SIR) model, to explore the role of carbon emissions on high-quality economic development. The results reveal that the environmental input characterized by carbon emissions has an inverted U-shaped effect on high-quality economic development. This study proves that environmental resources can assume both supply and demand roles for economic output and customers, which gradually emerge during consumption upgrading.

<https://doi.org/10.1080/13547860.2021.2008099>

### **10. The impact of macroprudential policies on bank risk under economic uncertainty: Evidence from emerging Asian economies**

**Abstract:** This paper examines the impact of macroprudential policies on the nexus between economic uncertainty and bank risk in emerging Asian economies. We construct our index of economic uncertainty by applying the Generalized Autoregressive Conditional Heteroskedasticity (GARCH)-in-mean model to a series of important macroeconomic variables, and borrow macroprudential policy indices from Cerutti et al. (2017) and Alam et al. (2019). Using bank-level panel data from approximately 600 commercial banks in 11 emerging Asian economies during the period 2000–2016, we find consistent evidence that bank risk increases with economic uncertainty, while macroprudential measures play an ameliorative role in uncertainty-induced bank risk. Our baseline findings are largely driven by macroprudential measures that aim to dampen the credit cycle more than those that target increasing the resilience of the banking sector.

<https://doi.org/10.1080/13547860.2021.2024380>

### **11. Impact of foreign ownership on firm productivity: evidence from Japanese manufacturing firm**

**Abstract:** This article presents the methodology to examine the impact of foreign ownership on firm productivity using firm-level data of Japanese manufacturing firms from 2000 to 2016, which include 1,458 listed companies in Japan. Firm productivity is represented by total factor productivity, which is estimated by the Olley–Pakes

semiparametric estimation method to minimize the simultaneity problem in production function estimation. In the estimation of the impact of foreign ownership on firm productivity, system GMM estimation is applied to address a possible reversal causality problem between foreign ownership and firm productivity. The evidence of this article supports the positive impact of foreign ownership on firm productivity and further implies that the promotion of foreign investment could be a policy option to improve firm productivity.

<https://doi.org/10.1080/13547860.2021.2024363>

## **12. Social isolation: a key to explain a migrant worker cigarette smoking**

**Abstract:** This paper explores the relationship between social isolation and migrants' smoking behavior as well as gender differences in smoking. Migrants' social isolation is systematically measured from the structural and qualitative perspective. Using the survey data of 2,188 rural-to-urban migrants in China in 2016, the prevalence of smoking among migrants is 38.21%, with 51.70% for males and 4.06% for females. Migrants with social isolation, such as migration instability, lack of ties with family and fellow migrants, and life dissatisfaction in migrant cities, are more likely to smoke and the impacts vary by gender. The income and price elasticities of cigarette demand show that male migrant smokers are more sensitive to income and price changes than female migrant smokers. Boosting rural migrants' integration into the local community will reduce smoking prevalence, improving the overall health of the society.

<https://doi.org/10.1080/13547860.2021.2024362>

## **13. Economic policy uncertainty, resource endowments and industrial structure transformation**

**Abstract:** This article examines the impact of economic policy uncertainty (EPU) on the industrial structure using panel data of 275 prefecture-level cities in China from 2003 to 2018 with the mediating effect of resource endowments. We find that uncertainty about economic policy has an inverted U-shaped relationship with industrial structure. Moreover, the positive relationship between EPU and industry structure is more prominent for cities with abundant natural resources. EPU has a positive threshold effect on the rationalization of industrial structure. These results suggest that local governments should consider EPU to promote industrial structure transformation and strengthen its governance capacity to reduce the negative impact of EPU.

<https://doi.org/10.1080/13547860.2021.2024379>

## **14. Can the university matching mechanism in Malaysia do better? An experimental evaluation of three matching mechanisms**

**Abstract:** We conducted laboratory experiments to evaluate the performance of IAM with two other popular mechanisms for centralized college admissions: the deferred acceptance mechanism (DAM), and the top trading cycle mechanism (TTC). In doing so, we broadened existing research by incorporating two features. First, we assumed a competitive environment with excess demand for college seats, as is the case in Malaysia. Our results

suggest that in the prevailing Malaysian situation the DAM will perform better than the IAM because students are likely to express their true preferences which also increases its matching stability. However, if the availability of places in private universities results in a less congested market, either the DAM or TTC will perform better-provided students are given information on the number of places available and the minimum entry requirements of each university. <https://doi.org/10.1080/13547860.2021.2024364>

### **15. Unemployment disparities in Asia-Pacific economies: physical capital or human capital**

**Abstract:** We examine whether physical capital and/or human capital accumulation explain(s) unemployment disparities in fifteen Asia-Pacific economies over the years of 1991 to 2019, using the augmented distributed lag (DL) model and the cross-section augmented distributed lag (CS-DL) model. We find significantly positive and negative mean group estimates of human capital and physical capital accumulation on long-run unemployment rate, respectively. These findings are robust to both DL and CS-DL models and to the inclusion of productivity change. However, the effects differ in each country that explains the various dynamics of unemployment rates in the fifteen Asia-Pacific economies.

<https://doi.org/10.1080/13547860.2021.2024365>

### **16. Foreign residents and local public expenditure: evidence from South Korea**

**Abstract:** The current study examines how foreign residents affect local budget expenditure in South Korea, which is currently facing a historically low fertility rate and the aging phenomenon. The employment permit system, which is a government-ordained system that allocates quotas for foreign employees by region and year, was adopted in the instrumental variable estimation to identify a causal linkage between foreign workers and local budget expenditure. Overall, the results show that a sharp inflow of foreign residents may be a risk factor in terms of the quantity and quality of local budget expenditure in South Korea, suggesting that immigration policies should be operated effectively to secure the fiscal soundness and sustainability of local finance.

<https://doi.org/10.1080/13547860.2021.2024367>

### **17. Income convergence of Indian states in the post-reform period: evidence from panel stationary tests with smooth structural breaks**

**Abstract:** This paper investigates income convergence of Indian states in the post-reform period when markets played a greater role in resource allocation. We analyze stochastic convergence of relative per capita incomes of 19 states for the period 1994–2018 by employing a recently developed panel data approach controlling for structural breaks as smooth shifts. Smooth shifts are modelled using a more flexible Fourier approach that does not require identifying the number, date, and form of breaks. The empirical results, contrary to recent empirical findings, do not support evidence in favour of convergence in per capita income among Indian states. The findings suggest that development intervention in the

post-reform period has neither been of the required order nor in the desired direction to help the lagging states to catch up with the leading

<https://doi.org/10.1080/13547860.2021.2022352>

## **Journal of Development Economics (Vol.166 Continues)**

<https://www.sciencedirect.com/journal/journal-of-development-economics/vol/166/suppl/C>

### **01. How do digital platforms affect employment and job search? Evidence from India**

**Abstract:** We use a randomized control trial to evaluate whether digital platforms improve employment outcomes among vocational training graduates in India. We find evidence of voluntary unemployment: graduates respond to platform access by increasing their reservation wages and by working significantly *less*. As good job offers fail to materialize on the platform, some graduates adjust their expectations downwards and resume working. These findings suggest that youth's beliefs about the effectiveness of matching interventions may reduce their potential impacts on employment.

<https://doi.org/10.1016/j.jdeveco.2023.103176>

### **02. Learning effects of conditional cash transfers: The role of class size and composition**

**Abstract:** A large literature has documented the positive effects of conditional cash transfer programs on school enrollment. However, evidence on their learning impacts is mixed and provides little insights into the mechanisms at play. Using a regression discontinuity analysis of a program implemented at scale in Morocco, we identify a substantial decrease in dropout rates in treated municipalities, which increased both class size and heterogeneity in class composition, and ultimately had negative impacts on children's test scores. These patterns indicate that, when there is a lack of coordinated supply-side responses, conditional cash transfer programs can constrain learning by putting additional pressure on existing resources. They also highlight the importance of class size and composition for children learning.

<https://doi.org/10.1016/j.jdeveco.2023.103194>

### **03. Adaptation to temperature extremes in Chinese agriculture, 1981 to 2010**

**Abstract:** There are three primary findings. First, using a period-specific panel fixed effect model, the analysis shows a significant decline in the temperature-related yield loss in the post-1996 period compared to before, indicating a substantial overall adaptation effect. Second, estimation of marginal adaptation effects of inputs points to irrigation as the central input for adaptation among the inputs observed in the data. Third, using a difference-in-differences approach united with the panel methodology for identifying temperature effects, we show that the presence of the irrigation expansion experiment significantly mitigated the high temperature impacts on crop yields, with increased irrigation through the natural experiment accounting for about 40% of the overall adaptation effect.

<https://doi.org/10.1016/j.jdeveco.2023.103196>

#### **04. Respondent biases in agricultural household surveys**

**Abstract:** We find respondent biases are not solely attributable to asymmetric information. Choosing a household head proxy lowers aggregation biases, but results in both over and under-estimates of agricultural variables relative to random proxies. Random proxies systematically under report agricultural statistics. Self-reporting protocols increase enumerator work days by only 5% indicating a high bias-cost tradeoff in choosing proxy response over self-reports. Survey designers should weight whether proxy bias magnitude or direction of bias are more significant threats to parameter estimation when determining their proxy response protocol.

<https://doi.org/10.1016/j.jdeveco.2023.103198>

#### **05. Does survey mode matter? Comparing in-person and phone agricultural surveys in India**

**Abstract:** Ubiquitous mobile phone ownership makes phone surveying an attractive method of low-cost data collection. We explore differences between in-person and phone survey measures of agricultural production collected for an impact evaluation in India. Phone responses have greater mean and variance, a difference that persists even within a subset of respondents that answered the same question over both modes. Treatment effect estimation remains stable across survey mode, but estimates are less precise when using phone data. These patterns are informative for cost and sample size considerations in study design and for aggregating evidence across study sites or time periods.

<https://doi.org/10.1016/j.jdeveco.2023.103199>

#### **06. Information and behavior: Evidence from fertilizer quantity recommendations in Bangladesh**

**Abstract:** We use a field experiment in Bangladesh to test if two types of variety-specific fertilizer recommendations – government provided, community-level recommendations and plot-specific recommendations based on individual soil tests – affect fertilizer use, yield, and profits. A minority of treatment farmers over-react to the recommendations by stopping TSP use after the intervention. In the soil-testing treatment arm farmers also shift their seed choice to varieties for which their baseline fertilizer consumption aligns with the recommendation. Opting out of using TSP, an essential fertilizer, ultimately hurts productivity as farmers in the community-based recommendation arm experience a 4% yield reduction.

<https://doi.org/10.1016/j.jdeveco.2023.103195>

#### **07. Winning and losing the resource lottery: Governance after uncertain oil discoveries**

**Abstract:** Natural resource discoveries are often followed by delays and uncertain production outcomes, creating challenges for governments that anticipate resource revenues. I leverage exogenous subnational variation in offshore oil discoveries in Brazil to identify dynamic effects of discovery news and revenue shocks on local public finances,

public goods provision, and politics. Municipalities where discoveries are realized enjoy significant growth in revenues and spending, but fail to improve public goods provision or stimulate economic activity. Municipalities that experience discovery announcements but never receive windfalls suffer long-term declines in revenues, investment, and public goods provision relative to never-treated controls.

<https://doi.org/10.1016/j.jdeveco.2023.103204>

#### **08. The dual role of insurance in input use: Mitigating risk versus curtailing incentives**

**Abstract:** Insurance can encourage the use of risk-increasing inputs, but it can also decrease people's incentives to exert effort when the latter is difficult to monitor. This effort reduction can be associated with a decrease in the use of effort-complementary inputs. I study a model of risk-sharing that allows for both effects of insurance on input use and use the latest ICRISAT panel to structurally estimate it. Median fertilizer use is almost three times higher under no sharing than under full insurance for reasonable levels of risk aversion. A subsidy that halves fertilizer prices increases farmers' welfare by 37% in consumption-equivalent terms.

<https://doi.org/10.1016/j.jdeveco.2023.103203>

#### **09. The long-term welfare effects of colonial institutions: Evidence from Central India**

**Abstract:** My results highlight that divergence has realised where the river overlapped with the colonial border, but not in a neighbouring area where the same Narmada River separates two shores with the same type of former colonial institution. I discuss the following transmission mechanism. The treated group was directly administered by the British with more modern state tools - such as the enforcement of property rights and a transparent taxation system - that made it easier to develop private investment. Infrastructure endowment seems to be crucial for the long-term transmission of the colonial institutional characteristics to the outcomes measured in 2015, which show better average welfare outcomes, as well as higher wealth inequality in the treated group.

<https://doi.org/10.1016/j.jdeveco.2023.103170>

#### **10. From wells to wealth? Government transfers and human capital**

**Abstract:** To study the causal impact of oil royalties on human capital, we exploit quasi-experimental variation arising from a law in Ecuador that prescribes an algorithm to assign oil royalties to municipalities regardless of their oil-producing status. We find that royalties increase the likelihood of students completing primary and secondary education. Schools are more likely to remain open, increase their size, and become more road-accessible. However, the likelihood of students pursuing higher education decreases as they face steeper opportunity costs when labor demand increases.

<https://doi.org/10.1016/j.jdeveco.2023.103206>

## **11. Risk, arbitrage, and spatial price relationships: Insights from China's hog market under the African Swine Fever**

**Abstract:** Spatial market integration, an important means to increase market efficiency and boost economic development, is often affected by policy changes such as trade liberalization and trade restrictions. Regressions reveal that a greater inter-province distance weakens the spatial price links post-ban, but not before the ban, which indicates insufficient arbitrage likely due to imperfect public information regarding ASF. The temporary market segmentation implies substantial dead-weight-loss. Our findings highlight the role of public information on risks in maintaining market integration and efficiency under supply-side disruptions.

<https://doi.org/10.1016/j.jdeveco.2023.103200>

## **12. The Generalized System of Preferences and NGO activism**

**Abstract:** We exploit as a quasi-natural experiment the renegotiation of the Generalized System of Preferences between the US and Indonesia in 1994, which induced the Indonesian government to raise the level of the legal minimum wage. Using data from Indonesian manufacturing firms, a diff-in-diff analysis and an event study show that the activism of workers' rights groups helped increase firm-level average wages up to the minimum-wage level, not only inside but also outside the export sector. Labor NGO activism helped to implement the new minimum wage standards in a country that lacked strong governmental institutions.

<https://doi.org/10.1016/j.jdeveco.2023.103207>

## **13. Global universal basic skills: Current deficits and implications for world development**

**Abstract:** We provide new approaches for estimating the lack of basic skills that allow mapping achievement across countries of the world onto a common scale. We find that at least two-thirds of the world's youth do not reach basic skill levels. Our economic analysis suggests that the present value of lost world economic output due to missing the goal of global universal basic skills amounts to over \$700 trillion over the remaining century, or 12% of discounted GDP. <https://doi.org/10.1016/j.jdeveco.2023.103205>

## **14. Optimal Infrastructure after Trade Reform in India**

**Abstract:** Infrastructure spending by governments should therefore increase after countries open up to trade. The findings are that, if governments choose infrastructure following the reform optimally, infrastructure would have increased by 60% on average. The actual increase, based on my empirical findings, was about 29%. Counterfactual exercises show that raising aggregate infrastructure towards its optimal following the trade reform will result in state GDP to increase by 7% points on average.

<https://doi.org/10.1016/j.jdeveco.2023.103208>

## **15. Supporting early childhood development remotely: Experimental evidence from SMS messages**

**Abstract:** Using a randomized field experiment in Costa Rica, we estimate the effect of providing parents of preschool students with regular text messages offering ways to engage their children in educational activities at home. We find suggestive evidence that the effect was driven by an increase in parents' involvement as they conducted the activities proposed in the text message campaign.

<https://doi.org/10.1016/j.jdeveco.2023.103201>

## **16. Tariff overhang and aid: Theory and empirics**

**Abstract:** In this paper, we consider aid payments as a possible explanation for tariff overhangs. We set up a theoretical model in which rich countries use development aid to pay for tariff concessions by poorer countries. The more aid they receive as compensation, the poorer countries reduce the applied tariff below the bound tariff rate. The data sample contains a predominant majority of WTO members that are aid recipients under the Uruguay agreement. Our results provide support for the model's aid-for-trade mechanism.

<https://doi.org/10.1016/j.jdeveco.2023.103209>

## **17. The limits of hegemony: U.S. banks and Chilean firms in the Cold War**

**Abstract:** Governments in hegemonic states use economic sanctions to induce changes in other countries. We use new historical firm-level data to document the destruction of financial relations between U.S. banks and Chilean firms after socialist Salvador Allende took office in 1970. Business reports and stock prices suggest that firms were mostly unaffected by having fewer links with U.S. banks. Substitution of financial relations towards domestic banks appears to be the key mechanism explaining these findings.

<https://doi.org/10.1016/j.jdeveco.2023.103212>

## **18. Rural road stimulus and the role of matching mandates on economic recovery in China**

**Abstract:** This paper explores the implications for economic recovery of a rural road stimulus program in China that led to the sudden suspension of local matching mandates. The findings imply that matching mandates impede the ability of fiscally constrained locales to mobilize sufficient resources to cover their share of project costs, contributing to inadequate road investment from upper-levels of government. Suspending matching mandate helps to relax local budget constraints, stimulating income and local multipliers that help to accelerate economic recovery.

<https://doi.org/10.1016/j.jdeveco.2023.103211>

## **Public Budgeting and Finance (Vol. 43.3)**

<https://onlinelibrary.wiley.com/doi/10.1111/pbaf.12345>

## **01. Nudging public budget officers: A field-based survey experiment**

**Abstract:** This study experimentally investigates how messages containing behavioral economics "nudges," addressing the underestimation, influence budget officers'

assessments. We conducted a survey experiment with responses from 484 budget officers in Japan. The results show that budget officers in the two randomly assigned nudge-based intervention groups gave higher evaluations of future outcomes than those in the baseline group with no nudges, whereas the assessment of the baseline group is statistically not significantly different from the group without any information.

<https://doi.org/10.1111/pbaf.12345>

## **02. Who has turned the project management lights on? A comparative analysis of transportation and information technology in US state governments**

**Abstract:** We provide a comparative analysis of capital project management for major transportation and IT acquisitions in US state governments, focusing on the use of EVM. Results indicate that most states have adopted basic reforms. However, fewer have implemented reforms with more teeth to them, such as centralized oversight and EVM. We find that states with greater spending are more likely to use EVM but that it is more commonly prescribed for IT than transportation.

<https://doi.org/10.1111/pbaf.12346>

## **03. Revisiting the (lack of) association between objective and subjective measures of local fiscal condition**

**Abstract:** This study re-evaluates the issue by investigating intervening explanations for the absence of connection. Analyzing survey and audited financial data from 185 municipalities across 31 states, we identify various individual and organizational attributes that help clarify the association between the two types of fiscal condition measures.

<https://doi.org/10.1111/pbaf.12347>