



gIFT

**GULATI INSTITUTE OF
FINANCE AND TAXATION**

An Autonomous Institution of Government of Kerala

GIFT Library Journal Content Alert Vol.3, March 2024

Journal of Public Budgeting, Accounting & Financial Management (Vol. 36-1)

<https://www.emerald.com/insight/publication/issn/1096-3367/vol/36/iss/1>

01. Toward sustainable governance with participatory budgeting

Abstract: Sustainability is a pressing challenge of governance and public financial management. One key element of sustainable governance is the role of citizens. Participatory budgeting is a participatory tool with which citizens can influence public administration. PB is a democratic process that grants people real power over real money and it has spread around the world. This special issue explores the role of PB in the context of sustainable governance. The findings are, even though PB can be seen as one tool for citizen participation, it has the potential to foster sustainability in multiple ways. PB, as a form of sustainable governance, requires a financially and administratively sustainable organizational process that results in the institutionalization of PB. It also includes thorough consideration of the socio-political and environmental sustainability impacts of PB.

<https://doi.org/10.1108/JPBAFM-11-2023-0205>

02. Youth participation in environmental sustainability: insights from the Lisbon participatory budget

Abstract: This article poses the question on whether and how youth participation in environmental sustainability makes a difference within participatory budgets. Findings are, the youth show a relative increase of participation in the 2021PB and emerge as a key target group in funded proposals. Convergence with student proposals suggest shared awareness on the role of youth in the pursuit of social sustainability. The success of health-related proposals confirms ownership of citizens over the concept of environmental sustainability, which further relies on the various scopes of funded proposals at both city and neighbourhood levels. This article provides new inputs for future developments in the operationalisation of social and environmental sustainability through participatory budgeting.

<https://doi.org/10.1108/JPBAFM-12-2021-0176>

03. Premises for sustainability - participatory budgeting as a way to construct collaborative innovation capacity in local government

Abstract: The aim of this study is to analyze the premises of PB becoming institutionalized in local governance by scrutinizing the factors that enable or disable PB as a collaborative innovation process, and that in turn build innovative capacity. With this study, the authors deepen the understanding of PB as a collaborative innovation process that may encounter obstacles and hindrances. Findings are, The institutionalization of PB in a local government organization requires organizational innovation capacity, not only individuals who are keen, motivated and committed to work on PB. However, the Lahti case shows that successful PB results from the citizens' viewpoint can on one hand be reached while

simultaneously the sustainability of PB needs more organizational commitment and support that materializes into managerial activities and also found that adequate resourcing is a key question in the institutionalization of PB.

<https://doi.org/10.1108/JPBAFM-04-2022-0077>

04. Determinants of sustainability of participatory budgeting: Slovak perspective**Abstract:** The purpose of this research is to identify and test selected economic and organisational factors influencing the sustainability of participatory budgeting in Slovakia. The main method applied was correlation analysis. Findings are, a weak inverse correlation between debt level and the continuous existence of PB in municipalities; a moderate direct correlation between the duration of PB in a municipality and integration of PB in its programme budgeting; a moderate direct correlation between the duration of PB in a municipality and the political experience of the mayor. The findings are derived from a quantitative analysis of cases localised in a single country, and therefore interpretation requires an awareness of the context of local democracy in Slovakia. In this regard, any generalisation beyond the context under study needs to be considered with caution.

<https://doi.org/10.1108/JPBAFM-04-2022-0082>

05. Participatory budgeting in francophone Africa: a comparative perspective between Benin and Niger

Abstract: This research aims to examine the introduction of participatory budgeting in local governments in two Francophone countries, namely, Benin and Niger, and how local contextual factors influence its practices. Findings are, participatory budgeting took roots in a no: of municipalities. Its introduction and adoption has promoted participatory governance especially from traditionally marginalized segments of society; albeit to varying degrees, in the face of the prevailing national neopatrimonial context. A major practical implication is the importance of adaptation to local socio-economic contexts and circumstances. As shown in the study, a blanket introduction and implementation of PB across societies based on a standardized model is unlikely to succeed and be sustained in the long run. A great deal of flexibility is required to accommodate indigenous realities on the grounds.

<https://doi.org/10.1108/JPBAFM-04-2022-0070>

06. Participatory budgeting and well-being: governance and sustainability in comparative perspective

Abstract: This article details the logic connecting PB to well-being, describes the evolution of PB programs as they spread around the world and consolidates global evidence from research that tests hypotheses on PB's impact. The purpose of this paper is to address these issues. The findings are, The authors find evidence for PB's impact on well-being in several important contexts, mostly not only in Brazil, but also in Peru and South Korea. They also find that very few rigorous, large-N, comparative studies have evaluated the relationship between PB and well-being and that the prospects for social accountability and PB's sustainability for well-being are not equally strong in all contexts. They argue that PB has great potential to improve well-being, but program designs, operational rules and supporting local conditions must be favorable to realize that potential.

<https://doi.org/10.1108/JPBAFM-04-2022-0067>

Journal of Development Economics (Vol. 167)

<https://www.sciencedirect.com/journal/journal-of-development-economics/vol/167/suppl/C>

01. Human capital affects religious identity: Causal evidence from Kenya

Abstract: We study how human capital and economic conditions causally affect the choice of religious denomination. We utilize a longitudinal dataset monitoring the religious history of more than 5000 Kenyans over twenty years, in tandem with a randomized experiment that has exogenously boosted education and living standards. The main finding is that the program reduces the likelihood of membership in a Pentecostal denomination up to 20 years later, when respondents are in their mid-thirties, while there is a comparable increase in membership in traditional Christian denominations. The results help explain why the global growth of the Pentecostal movement, sometimes described as a “New Reformation”, is centered in low-income communities.

<https://doi.org/10.1016/j.jdeveco.2023.103215>

02. Inter-regional barriers and economic growth: Evidence from China

Abstract: This paper examines the impact of a policy reform in China that removed inter-regional market barriers by incorporating counties into larger prefecture-level divisions. Employing a DID approach, compare the economic performance of incorporated countries before and after the reform to two control groups: countries that applied for incorporation but were unsuccessful, and countries that were incorporated at a later time. Our findings suggest that the reform had an immediate and sustained positive effect on the economic growth of incorporated counties. We provide evidence that the reform reduced policy-induced frictions, leading to increased regional specialization in industries with comparative advantage, more entries of new firms, and more exits of low-profit-margin firms.

<https://doi.org/10.1016/j.jdeveco.2023.103197>

03. The deforestation effects of trade and agricultural productivity in Brazil

Abstract: This paper quantifies the relative footprint of trade and agricultural productivity on deforestation across Brazilian municipalities between 2000 and 2017. Using remote-sensing data, we identify distinct effects of these two phenomena on land use. Greater exposure to new genetically engineered soy seeds is associated with faster deforestation through cropland expansion. We find no significant association between local exposure to Chinese demand and deforestation, but exposure to trade with China mitigates the deforestation impacts from the new soy technology. Our finding suggest that, when considered together, productivity gains altering municipalities’ comparative advantage played a more significant role in driving deforestation across Brazil than Chinese demand alone.

<https://doi.org/10.1016/j.jdeveco.2023.103217>

04. Accountability failure in isolated areas: The cost of remoteness from the capital city

Abstract: This paper documents that in Sub-Saharan Africa areas isolated from the capital city are less economically developed and examines potential underlying mechanisms. We find that isolation significantly reduces nightlights at the intensive and extensive margin, and that a one percent increase in distance to the capital causes a drop in household wealth corresponding to 3.5 percentiles of the national wealth distribution. Our results suggest that a lower provision of public goods in isolated areas is a key link between remoteness and economic performance. Despite receiving worse services, people who are isolated exhibit a higher level of trust in their political leaders. Further, isolated citizens consume the news less frequently and penalize their leaders less for misgovernance.

<https://doi.org/10.1016/j.jdeveco.2023.103214>

05. Cash transfers and micro-enterprise performance: Theory and quasi-experimental evidence from Kenya

Abstract: In this study, we examine the business and price effects of cash-based assistance to refugees in Kenya. Monthly restricted cash transfers worth 3-13 dollars were provided to 400,000 refugees in the form of digital money exclusively usable for food purchases at licensed shops. We show that licensed businesses have much higher revenues and profits and charge higher prices than unlicensed businesses. In line with theory, the restricted cash transfer program created a parallel retail market in

which a limited number of businesses enjoy high market power. The theoretical and empirical results provide a cautionary tale highlighting the drawbacks of setting up a less competitive, parallel market to distribute cash-based assistance.

<https://doi.org/10.1016/j.jdeveco.2023.103232>

06. Place-based policies, rural employment, and intra-household resources allocation: Evidence from China's economic zones

Abstract: Using both reduced-form methods and structural modeling, we identify the relationship between place-based policies and individual bargaining power in rural China. Exposure to economic zones significantly increases women's resource shares and reduces within-household inequality. The results are mainly driven by economic zones with female-dominated industries and women's sectoral reallocation from agricultural to non-agriculture employment. Moreover, we analyze the impact of place-based policies on children's education and find the dropout probability of children decreases by more than 4% when households live near EZs and girls benefit more from women's bargaining power compared with boys.

<https://doi.org/10.1016/j.jdeveco.2023.103210>

07. Trust, violence, and coca Abstract: How does violence affect social capital?

Abstract: I argue that its impact depends on two factors: (i) the ability to identify the perpetrating group, (ii) the intensity of the violence. These factors help to reconcile the seemingly contradictory effects of violence on social capital presented in the literature. I study this in the context of Colombia by exploiting changes in violence attributed to cross-border shocks on coca markets in neighboring countries interacted with a novel index of suitability for coca cultivation. I document that violence has a negative effect on social capital measures such as trust, participation in community organizations, and cooperation. Notably, this effect is stronger when it is not possible to identify the enemy. The results are robust to a large number of controls that account for potential confounders. In particular, I show evidence that this effect is not related to the presence of drug cartels in Colombia during the Escobar and Cali era.

<https://doi.org/10.1016/j.jdeveco.2023.103216>

08. Mothers at peace: International peacebuilding and post-conflict fertility

Abstract: This study explores how the external provision of security affects fertility by focusing on the UN intervention in Liberia. We combine DHS birth history data with information on road distance to UN military compounds and find that women living in the proximity of peacekeepers have lower fertility rates in the deployment period its due to parents prioritizing quality over quantity. We also provide evidence that the UN mission revitalizes local economic activities, thus increasing the opportunity cost of childbearing.

<https://doi.org/10.1016/j.jdeveco.2023.103226>

09. Can housing booms elevate financing costs of financial institutions?

Abstract: We show that house price appreciation elevates financial institutions' financing costs because it can make households invest more in houses and invest less in or require higher returns on other assets. For identification, we employ the unique feature of wealth management products that the issuing markets are local whereas the markets of some products' underlying assets are national. Stocks, bonds, and deposits do not possess this feature. We find that house price growth raises WMPs' expected returns offered by banks. Household-level analyses further confirm that house price growth reduces households' WMP-investment demands.

<https://doi.org/10.1016/j.jdeveco.2023.103230>

10. Health policy, price regulation, and innovation: Evidence from China's vaccine industry

Abstract: This paper investigates the effect of policy-induced market incentives on pharmaceutical innovation in the context of developing countries, where substantial health challenges persist but R&D efforts remain limited. We exploit the quasi-experimental setting of a major reform in China's public vaccine system, which involved expanding vaccine coverage while imposing price controls on affected products. Using newly collected data on vaccine clinical trials and revenues, we estimate that China's public vaccine program expansion in 2008–2009 led to an 83% decrease in new vaccine clinical trials for the policy-affected diseases. This decrease can be attributed to the government's price regulation, which greatly reduced the market revenue of the affected vaccines. Our welfare analysis indicates that for some affected diseases, reducing innovation is welfare-enhancing as the reform has curbed potentially wasteful R&D spending.

<https://doi.org/10.1016/j.jdeveco.2023.103229>

11. Migration and resource misallocation in China

Abstract: We structurally estimate the firm-level frictions across prefectures in China and quantify their aggregate and distributional implications. Based on a general equilibrium model with input and output distortions and migration, we show that the firm-level frictions are less dispersed and less correlated with firm productivity in richer prefectures. Counterfactual exercises show that reducing the within-prefecture misallocation increases aggregate welfare, discourages migration toward large prefectures, and reduces spatial inequality. Moreover, internal migration alleviates micro-frictions' impacts on aggregate welfare and worsens their effects on spatial inequality.

<https://doi.org/10.1016/j.jdeveco.2023.103218>

12. Extreme heat and rural household adaptation: Evidence from Northeast China

Abstract: More extreme heat events are expected under climate change, posing threats to food production as well as the lives of agriculture-dependent rural households. Using a detailed panel of rural households in an agricultural region of China, we find extreme heat substantially decreases crop production and lowers households' agricultural returns. Nevertheless, the households successfully smooth their consumption contemporaneously by utilizing precautionarily saved buffers, especially among those who regularly hold these buffers. Their future expenditures are also largely unaffected. This adaptability of consumption smoothing discourages within-season adjustments in variable inputs and productive assets. Still, extreme heat guides impacted households toward a more diverse but less risky crop portfolio in later years.

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

13. The consequences of health mandates on infant health: Evidence from a smoking-ban regulation

Abstract: This paper studies the infant health consequences of a highly enforced smoking-ban law in Brazil that reduced exposure to smoking for workers in hospitality occupations. Using administrative data and a difference-in-differences strategy, we show that pregnant women's decreased exposure to smoking improved birth outcomes. Vulnerable workers who were more likely to have unintended pregnancies benefited more from the smoking ban, highlighting the regulation's distributional consequences. Back-of-the-envelope calculations suggest that the intervention is highly cost-effective, as the infant health benefits surpass enforcement-related costs. Furthermore, we show that several behavioral changes that could offset the regulation's intended impact are unlikely to operate in our setting.

<https://doi.org/10.1016/j.jdeveco.2023.103171>

14. Better together? Student's benefits of educational market integration

Abstract: Educational market integration have become a common practice in various countries, changing potentially student's application and enrollment behavior. We implement a DID estimation exploiting student's geographic exposure to market integration in Chile to understand student's gain and losses from this process. Using administrative data, we show that the market integration process has no effect on overall university enrollment but changes the enrollment composition: new platform institutions increased enrollment and old ones decreased. The reduction in application costs and the release of additional information, particularly historical cutoff data, seem to play a more significant role in shaping these dynamics than the congestion reduction. Heterogeneity analysis shows, low-income students enrollment increase, reflecting application barriers to decentralized admission institutions and implying gains in equity and efficiency of the system.

<https://doi.org/10.1016/j.jdeveco.2023.103233>

15. Behavioral consequences of religious schooling

Abstract: I investigate how long-term exposure to religious schooling affects economic behavior of children. To identify the effect of religious schooling, I study residential schools for orphans in Bangladesh that differ in terms of religious curriculum and social environment, limit transmission of beliefs and preferences from parents to children following being orphaned, make social learning by children limited after school enrollment, and mitigate issues concerning endogenous school choice by parents. Using a lab-in-the-field experiment in this school setting, I measure children's behavior and find that (i) children receiving religious education are more altruistic and honest relative to children receiving secular education; (ii) religious schooling does not affect risk aversion, cooperation, trust, and trustworthiness of children; and, (iii) behavioral differences are driven by children who are around puberty and have completed primary education.

<https://doi.org/10.1016/j.jdeveco.2023.103237>

16. Discrimination against migrants and its determinants: Evidence from a Multi-Purpose Field Experiment in the Housing Rental Market

Abstract: We propose a novel approach to studying discrimination in the housing rental market by conducting a multi-purpose field experiment with Real Estate Agents to, not only measure the extent of discrimination but also to explore its determinants. After gathering comprehensive data about the REAs, they evaluated rental applications from Colombian, Venezuelan, and other nationality families. Our findings suggest the presence of discrimination in the housing rental market, as REAs were less likely to choose a Venezuelan family over a Colombian or other nationality family. We identified that this discrimination was influenced by factors such as age, gender, cognitive skills, and local market knowledge. We found that the discriminatory social norm is well recognized among REAs.

<https://doi.org/10.1016/j.jdeveco.2023.103227>

17. Jobs! Electricity shortages and unemployment in Africa

Abstract: To what extent does unreliable electricity provision pervasive in many African countries affect job creation in the region? I address this question by assembling household and firm-level data from 29 African countries along with unique project-level data on FDI. Leveraging several quasi-experimental approaches, I find that outages have a non-trivial negative impact on employment. The effect is driven by a reduction in employment in non-agricultural sectors and skilled jobs. Unskilled jobs are unaffected by electricity outages. The negative effect of outages on firm entry and the performance of incumbent firms are plausible channels.

<https://doi.org/10.1016/j.jdeveco.2023.103231>

18. Corporate Social Responsibility along the global value chain

Abstract: Locating substantial parts of the production process in developing and emerging economies,

many firms face an increasing demand by stakeholders for Corporate Social Responsibility (CSR) along their value chains. Contractual incompleteness between firms and their suppliers at different stages of production can exacerbate the ability to meet these demands. We analyze a model of sequential production with incomplete contracts where CSR by independent suppliers differentiates the final product in the eyes of caring consumers. Progressing down the value chain, our model predicts an increasing CSR profile from upstream suppliers with low CSR to downstream suppliers with higher CSR. We confirm this prediction using Indian firm-level data – computing a firm’s value chain position by combining its product-level sales information with the World Input–Output Database. We find that more downstream firms report higher CSR expenditures as measured by a combination of staff welfare spending and social community spending.

<https://doi.org/10.1016/j.jdevec.2023.103236>

19. Latin American pride: Labor market outcomes of sexual minorities in Brazil

Abstract: In the first study using self-identified information on sexual orientation from a large, nationally representative survey from Brazil, I study the relationship between sexual orientation and a range of labor market outcomes. I find large wage premiums for lesbian women relative to heterosexual women and no wage premiums or penalties for gay men and bisexual individuals relative to their heterosexual counterparts. These results vary geographically, with sexual minority women earning significant premiums compared to heterosexual women in more conservative states. I also find that sexual minority men are less likely to be employed full time and more likely to be victims of work-related violence compared to their heterosexual counterparts.

<https://doi.org/10.1016/j.jdevec.2023.103239>

20. Is the phone mightier than the virus? Cellphone access and epidemic containment efforts

Abstract: In this study we study this question in the context of the 2014 Ebola Virus Disease outbreak in Liberia. Combining novel data on cellphone towers and EVD cases, we estimate a high-resolution radio-wave propagation model that uses variations in terrain topography and the spatial distribution of cellphone towers to predict signal strength on the ground. We then employ a regression discontinuity design that compares villages at the margin of the signal strength threshold required for coverage. We find that having access to cellphone coverage leads to a 10.8 percentage point reduction in the likelihood that a village has an EVD case. Results from a novel survey collected following the epidemic suggest that this may be explained by cellphone access facilitating treatment provision. However, we cannot fully exclude that improving access to preventive care or information could have also contributed to containment.

<https://doi.org/10.1016/j.jdevec.2023.103228>

21. The demography of the great migration in China

Abstract: Fertility differentials across countries drive global migration. Despite a vibrant research agenda on the demographic forces behind international migration from 1996–2010. Specifically, we construct bilateral migration flows across Chinese prefect migration, little empirical research probes into the demography of internal migration. We analyze the demography of users and exploit large variations in cohort sizes induced by historical events. We find asymmetric impacts of “push” and “pull” demographic factors in determining internal migration. We also explore economic mechanisms behind demographic forces, such as the moderating effects of physical distance and social network, the substitution pattern by education, and a thick-market effect for marriage migration.

<https://doi.org/10.1016/j.jdevec.2023.103235>

22. Climate change, cropland adjustments, and food security: Evidence from China

Abstract: This paper empirically investigates the induced cropland adjustments in responding to long-run climate change in China. Based on county-level data over several decades, we employ a moving-

average specification that exploits within-county variation in local climate normals. We show that cropland expands with rising temperature in cold areas, while the effect is reversed in hot areas. The results are consistent with the “long-difference” estimates and robust to a host of different specifications. Besides, local crop mix also evolves with the changing climate. However, accounting for the crop-mix adjustments, climate change by the mid-century is still predicted to significantly lower the national calorie provision through induced cropland adjustments, and an average yield growth of 17.6% would be required to offset the associated loss under RCP 4.5.

<https://doi.org/10.1016/j.jdeveco.2023.103245>

23. Does labor composition impact the transmission of monetary policy to output?

Abstract: We ask whether the presence of contract workers influences the sensitivity of firm output to monetary policy shocks. We use a judgment of the Supreme Court of India that facilitated the hiring of contract workers as a setting that exogenously increased their presence, especially in states with stringent labor laws. DID and triple-difference tests show that the sensitivity of output to monetary policy shocks moderate due to the presence of contract workers. The relative flexibility of contract workers’ wages and not the relative ease of hiring/firing is the mechanism. Additional analysis shows that the moderation in output sensitivity is stronger during monetary contractions.

<https://doi.org/10.1016/j.jdeveco.2023.103241>

24. Estimating seed demand in the presence of market frictions: Evidence from an auction experiment in Nigeria

Abstract: This paper measures the effect of seed quality misperceptions on bidding behavior and demand for high-quality seed using an information-provision experiment within an incentive-compatible Vickery Second Price auction mechanism that mimics seed purchasing decisions in the presence of seed market frictions. We find that most individuals are prone to quality misperception and revise their bids upwards in response to positive quality signals. Our findings have important implications both for improving inference related to the identification and estimation of willingness to pay for quality seed in the presence of market frictions, and for the design of seed sector policies in developing countries.

<https://doi.org/10.1016/j.jdeveco.2023.103242>

25. Property rights, factor allocation and household welfare: Experimental evidence from a land titling program in India

Abstract: Increasing evidence shows the significance of *de jure* land ownership in determining agricultural productivity, yet the causal evidence of the effectiveness of land rights is scarce. We leverage experimental variation induced by nudging Indian farmers to obtain formal land titles. We find that titling increases agricultural investments, crop productivity, and paddy profits. We identify the tenancy security as the potential channel for impact from titling on the labour market and collateral effect for higher investment. Farmers respond to titling by releasing locked-in family labour, and those who obtain land titles make welfare gains and recover the full cost of titling.

<https://doi.org/10.1016/j.jdeveco.2023.103238>

26. Training microentrepreneurs over Zoom: Experimental evidence from Mexico

Abstract: We conduct an experiment to test the feasibility, cost-savings, and impact of delivering live training sessions over Zoom to microentrepreneurs in Mexico and Guatemala. We demonstrate that it is now feasible to both recruit and train self-employed women online, covering a wide geographic area, with few technology issues. However, the cost-savings over in-person classes are less than expected. Training improved business practices and performance over 2 months, but impacts had dissipated within 6 months.

<https://doi.org/10.1016/j.jdeveco.2023.103244>

27. Wealth and charitable giving – Evidence from an Ethiopian lottery

Abstract: Does wealth make people more selfish or more generous? While this question has been at the centre stage of the research on charitable giving, causal evidence is lacking. We offer winners and losers of a large Ethiopian housing lottery the opportunity to give to charities. Winners experience a very large increase in wealth, yet they are not more likely to donate money. They give slightly higher amounts to charities in absolute monetary value but nothing more in proportion to their income. We conclude that in this context charitable giving at the extensive margin is insensitive to exogenous wealth changes and that wealthier people do not become more selfish.

<https://doi.org/10.1016/j.jdeveco.2023.103250>

28. Misallocation, Productivity and Development with Endogenous Production Techniques

Abstract: We study misallocation and sectoral productivity in a heterogeneous firm's model with generalized production. Different from neo-classical models of production, our model endogenizes production-techniques and introduces firm-specific technique-distortions alongside factor- and scale-dependent distortions. Applying this micro-founded framework to firm-level data (US, China and India), we quantify that, for a broad range of manufacturing industry clusters, technique distortions generate more severe misallocation and sectoral TFP losses than capital and output distortions, accounting for about three quarters of the detrimental productivity effects.

<https://doi.org/10.1016/j.jdeveco.2023.103251>

Journal of Public Economics Vol. 230

<https://www.sciencedirect.com/journal/journal-of-public-economics/vol/230/suppl/C>

01. Risky moms, risky kids? fertility and crime after the fall of the wall

Abstract: Following the collapse of the Berlin Wall, the birth rate halved in East Germany. Using detailed state-cohort-level arrest-data, and a DID strategy, we show that individuals born during this period of socio-economic turmoil were markedly more likely to be arrested than those conceived a few years earlier. We use individual-level data to highlight risk attitude as a potential mechanism linking maternal fertility decisions and children's criminal activities. We show that mothers who gave birth between 1991 and 1993 in East Germany have a significantly greater preference for risk, and so do their children. Finally, we provide novel evidence of the strong correlation between high levels of risk preference and criminal participation.

<https://doi.org/10.1016/j.jpubeco.2023.105048>

02. Transitory income changes and consumption smoothing: Evidence from Mexico

Abstract: We test if 3534 beneficiaries of PROSPERA, Mexico's cash transfer program, smooth food consumption before and after the date of the transfer receipt, and if consumption smoothing is costly. The transfer is an anticipated and transitory income shock and, thus, the PIH predicts that consumption should be smooth before and after its receipt. We find that food consumption does not change the days before and after the transfer date and we find no evidence that households bear costs to smooth consumption. The transfer's cost of access, which encompasses participants' distaste for using debit cards and costly ATM withdrawals, may help time-inconsistent and less experienced debit card holder's smooth consumption.

<https://doi.org/10.1016/j.jpubeco.2023.105013>

03. Moving opportunities: The impact of mixed-income public housing regenerations on student achievement

Abstract: I use mixed-income public housing regenerations in London as a natural experiment to identify how schools affect low-income students' educational achievement when affluent households flow into their neighbourhood. I compare student achievement in schools in the same neighbourhood located at different distances from a regeneration before and after its completion. I employ a grandfathering instrument for enrolment in treated schools to address potential endogenous mobility. Students exposed to regenerations have higher test scores at the end of primary school. I estimate that schools explain 65–81% of the overall achievement effects, which are mediated by changes in the student body's composition.

<https://doi.org/10.1016/j.jpubeco.2023.105053>

04. The effects of electronic monitoring on offenders and their families

Abstract: We study the countrywide expansion of Electronic Monitoring (EM) in Sweden in 1997 wherein offenders sentenced to up to three months in prison were granted the option to substitute incarceration with EM. Our DID estimates, which compare the change in the prison inflow rate of treated offenders to that of non-treated offenders with slightly longer sentences, show that the reform significantly decreased the number of incarcerations. Our main finding is that EM not only lowers criminal recidivism but also increases labour supply. Additionally, EM improves the educational attainment and early-life earnings of the children whose parents were exposed to the reform. Our calculations suggest that the social benefits stemming from EM are about seven times larger than the fiscal savings associated with reduced prison expenditures, implying that the welfare gains from EM could be much greater than previously acknowledged.

<https://doi.org/10.1016/j.jpubeco.2023.105051>

05. Credit access and housing insecurity: Evidence from winter utility shutoff protections

Abstract: This study shows temporary line of credit extended to households in the form of protection from heat shutoffs during the winter. 56% of urban renters face some level of housing insecurity. I explore the role of credit access, or lack thereof, as a contributing factor. To do so, I adopt a triple difference-in-differences (DDD) approach. I estimate that the temporary extension of credit reduces the eviction filing rate by 4% in census tracts with high energy burdens. I provide suggestive evidence that eviction filings do not spike after the temporary credit access ends, implying a net negative effect of temporary credit access on filings over the entire year.

<https://doi.org/10.1016/j.jpubeco.2023.105064>

06. No-claim refunds and healthcare use

Abstract: No-claim refunds are cost-control instruments which stipulate a payback agreement contingent on one or more claim-free years. We study how such no-claim refunds affect claiming behaviour using claims data from a large German health insurer and a policy that increased the refund size for certain plans. We propose a method to decompose the effect on claims into behavioural and non-behavioural components, and show that individuals responded to the refund policy by reducing claims by eight percent on average. The effect persisted for several years; behavioural responses were stronger for clients with more to gain from the policy; and reductions in claims were not restricted to treatments of questionable medical value.

<https://doi.org/10.1016/j.jpubeco.2023.105061>

07. The econometrics of happiness: Are we underestimating the returns to education and income?

Abstract: The problem is a tendency by some individuals - particularly those with low levels of education — to simplify the response scale by considering only a subset of possible responses such as the lowest, middle, and highest. In principle, this “focal value rounding” (FVR) behaviour renders invalid even the weak ordinality assumption often used in analysis of such data. With “happiness” or life satisfaction data as an example, descriptive methods and a multinomial logit model both show that the effect is large and that education and, to a lesser extent, income level are predictors of FVR behaviour. A model simultaneously accounting for the underlying wellbeing and for the degree of FVR is able to estimate the latent subjective wellbeing. Addressing this problem helps to resolve a longstanding puzzle in the life satisfaction literature. <https://doi.org/10.1016/j.jpubeco.2023.105052>

Public Finance Review Vol. 52.2

<https://journals.sagepub.com/toc/pfrb/52/2>

01. Property Tax Regressivity, the Case of Québec

Abstract: This article discusses these views with theoretical and empirical arguments and defends the excise-tax view. Then, the distributive profile of the property tax in Québec is assessed thanks to a rich administrative database. The property tax appears very regressive. In addition, no general pattern appears depending on the size of the urban zones. At the opposite, property tax-to-income ratios depend steeply on the household composition, because of the economies of scale in housing consumption: they are larger for singles than couples (and even larger for aged singles) and lower for households with children than without children.

<https://doi.org/10.1177/10911421231212354>

02. The Public Finance Position of Immigrants in Europe: A Quantile Regression Approach

Abstract: We contrast the net fiscal position (NFP) of immigrants versus natives using data from the European Survey on Living Conditions for 2007-2015. Using a quantile regression approach, we find that European and non-European migrants have a different fiscal position from natives only on the extreme tails of the NFP distribution. Non-EU migrants contribute even more than natives in the top quantile of the NFP, but they are more fiscally dependent than native citizens in the lowest quantile. These findings suggest that immigrants are not a public finance burden and do not increase public spending in the destination country. We also examine the relationship between migrants’ fiscal position and the fiscal perception of natives versus migrants as measured in the European Social Survey.

<https://doi.org/10.1177/10911421231197280>

03. The Fiscal Consequences of Natural Disasters: Evidence from the U.S. States

Abstract: The paper investigates the fiscal impact of natural disasters in the U.S. states. The focus is on state spending, state revenues, and federal transfers for the period from 1970 to 2015. Results show that a broad definition based on dollar damages from all emergency events and major disasters has a small effect on state-level fiscal conditions, which stands in contrast to prior studies. On the other hand, a narrower definition based on the occurrence of major disasters is associated with increased spending and transfers alongside spending effects that grow with disaster severity.

<https://doi.org/10.1177/10911421231179535>

04. Income Taxes and Political Accountability

Abstract: This article contributes to the understanding of this relationship from a novel perspective that it is elections rather than negotiations between politicians and elites-as most of the previous literature has assumed that serve as the primary mechanism by which citizens discipline politicians. I build a voting agency model that considers two effects of income taxes on voters’ decisions how

changes in voters' disposable income affect their political demands and how increments in tax revenues affect voters' beliefs about the ability of institutions to affect incumbents' decisions. I find that increments in taxes always strengthen voters' political demands. Nevertheless, it would not necessarily prove useful for disciplining incumbents-in terms of a higher expected provision of public goods and lower captured rents. Gains in political accountability, in turn, positively affect the equilibrium income tax rate.

<https://doi.org/10.1177/10911421231183755>

International Tax and Public Finance (Vol. 31.1)

<https://link.springer.com/journal/10797/volumes-and-issues/31-1>

01. Public finance in emerging economies

Abstract: Our special ITAX issue features cutting-edge research that shed light on important new policies and economics developments in both high- and low-income countries. Following the trend in the field, the papers are predominantly empirical, though some questions are analysed theoretically. The empirical analyses use a range of quasi-experimental techniques and various types of data sources, from product-level price data from Germany, to firm-level administrative tax declarations from Eswatini and e-billing data to measure consumption of employees in Ecuador. Finally, moving from national to international tax policy making, Gresik and Schjelderup examine the effect of a destination-based cash flow taxation (DBCFT) on firms' transfer pricing behaviour. They show that the DBCFT does not necessarily eliminate transfer pricing manipulation if multinational firms are multi-market oligopolists.

<https://doi.org/10.1007/s10797-023-09817-6>

02. Measurements, determinants, causes, and consequences of corruption: lessons from China's anti-corruption campaign

Abstract: Corruption is a widespread phenomenon in many developing and transitional economies. China is a country in profile both in the prevalence of corruption and in its attempts to root out corruption. The recent anti-corruption campaign in China, which started in December 2012 when President Xi Jinping took power, is unprecedented in its magnitude and time length. It has had lasting impact on the functioning of the Chinese bureaucracy and on the behaviour of firms and consumers. It also provides unusual amount of data to study the causes and consequences of corruption, which will have implications for other countries and economies. The findings, regarding how the anti-corruption campaign affects the behaviour of a host of decisions makers in the economy, including firms and bureaucrats, and on the resource allocation in general, and argue that the lessons from China's anti-corruption campaign are useful to other developing countries.

<https://doi.org/10.1007/s10797-023-09803-y>

03. Detecting envelope wages with e-billing information

Abstract: We use information from the electronic billing system to estimate the underreporting of income of private sector employees. We follow an expenditure-based methodology using the consumption of public and private sector employees for similar levels of reported income. We find that private sector employees underreport between 7 and 9% of their income in Ecuador. The size of the underreporting gap is negatively correlated with the number of employees at the firm, consistent with different risks and administrative costs of 'envelope wages' in small versus large firms.

<https://doi.org/10.1007/s10797-023-09811-y>

04. Everything's not lost: revisiting TSTSLs estimates of intergenerational mobility in developing countries

Abstract: This paper revisits the two-sample two-stage least squares method, commonly used to estimate intergenerational mobility measures without linked parent–child earnings data. First, we study the TSTSLS intergenerational earnings elasticity by decomposing it into the IGE estimated via OLS with linked parent–child earnings data. Second, we formally study the rank-rank correlation estimated through TSTSLS by decomposing the estimator into the rank-rank correlation estimated through OLS with linked data and a projection bias. Finally, we use parent–child linked administrative data from a developing country to test our lower-bound method through an empirical Monte Carlo approach, confirming its validity.

<https://doi.org/10.1007/s10797-023-09801-0>

05. Encouraging digital tax tools as a response to Covid: evidence from Eswatini

Abstract: Many tax authorities changed the mode of interacting with taxpayers from physical to online as a response to the Covid-19 pandemic. We study the effect of the e-tax-filing in Eswatini, using a difference-in-difference and propensity score methods that exploit the limited take-up of e-tax filing. We present three sets of results. First, larger and more IT-sophisticated firms are more likely to adopt e-Tax. Second, after adoption, e-Tax has mixed results on filing behaviour and reporting accuracy. Third, companies remit less tax after adoption e-tax-filing.

<https://doi.org/10.1007/s10797-023-09810-z>

06. The EITC in rural and economically distressed areas: More bang per buck?

Abstract: Numerous papers show that Earned Income Tax Credit (EITC) expansions have increased maternal labor supply, but little is known about how this effect differs by geography or metropolitan status. Using various datasets and exploiting several EITC expansions, I find that the EITC consistently had larger positive effects on the labor supply of unmarried mothers in rural and economically distressed areas. Among married mothers, I find small negative effects in suburban and urban areas and small positive effects in rural areas. I also replicate and extend previous EITC research to show that these effects hold for EITC expansions spanning 1975 to the 2010s.

<https://doi.org/10.1007/s10797-023-09798-6>

07. VAT pass-through: the case of a large and permanent reduction in the market for menstrual hygiene products

Abstract: This paper examines the price effects of a VAT reduction for menstrual hygiene products in Germany. Several aspects make this VAT reduction particularly interesting: the reduction is exogenous to economic conditions, the reduction was substantial and permanent, and demand can be assumed to be inelastic. We find that the VAT reduction was completely passed through to consumers. In fact, pass-through rates of significantly more than 100% can be observed. We find that the excess pass-through occurred in relatively competitive market segments, and that it is almost fully explained by retailers rounding down prices after the reduction.

<https://doi.org/10.1007/s10797-023-09813-w>

08. Corporate income tax, IP boxes and the location of R&D

Abstract: We discuss corporate tax effects on multinationals' R&D. Theoretically, we find that a host country's tax increase may boost local R&D expenditure: while R&D becomes deductible at a higher rate, this higher rate may not apply to all R&D returns. First, as R&D creates a public good within the MNE, some R&D returns are taxed at other countries' tax rates. Second, some of the R&D returns are taxed at a lower IP regime tax rate. The positive tax rate effect is empirically supported by country-by-country R&D data of U.S.-owned subsidiaries for countries that have an IP regime.

<https://doi.org/10.1007/s10797-023-09812-x>

09. Transfer pricing under global adoption of destination-based cash-flow taxation

Abstract: The idea that the problem of transfer price manipulation vanishes under global adoption of destination-based cash-flow taxation (DBCFT) is based on how firms behave in perfectly competitive or monopolistic markets. We show that the neutralizing effect DBCFT has on transfer price incentives can fail once multinational firms are multi-market oligopolists. Under imperfect competition, a multinational will delegate output decisions to its affiliates so that its transfer price can have a strategic role through its influence on competitors' actions. Even if all countries adopt DBCFT, transfer prices will not equal arm's length prices, and they will vary with changes in corporate tax rates.

<https://doi.org/10.1007/s10797-023-09783-z>

10. Sovereign debt maturity structure and its costs

Abstract: I propose a theoretical model of a debt contract between a sovereign and its international lenders that determines the optimal debt maturity structure and related costs. It is shaped by two financial frictions, limited liability and market incompleteness. In equilibrium, debt dilution constrains the amount of long-term debt issuance. I use this framework to evaluate the impact of two policy interventions: the possibility of sovereign debt restructuring with private creditors and international official lending in the event of exclusion from the international capital markets. The possibility of restructuring after default stimulates long-term debt issuance; however, in equilibrium, those tools are unable to loosen the constraint on long-term debt issuance. Consistently with the empirical literature, I find that even when these policy options are available, the country tends to issue mainly short-term debt.

<https://doi.org/10.1007/s10797-023-09800-1>

11. The popularity function: a spurious regression? The case of Austria

Abstract: In this paper we apply the unit root and cointegration methodology as well as other methods of modern econometric time series analysis to estimate popularity functions for the Austrian parties in power since the mid-1970s. We find only very rare evidence for economic variables influencing the popularity of the main political parties in the federal government, thereby challenging previous studies that claimed to have established such influences. When considering the determinants of the popularity of the incumbent party, the unemployment rate turns out to have a negative short-run influence. The robustness of this result is checked by various methods, demonstrating the usefulness of the applied methodology to clarify such issues.

<https://doi.org/10.1007/s10797-023-09802-z>

Regional and Federal Studies (Vol.34.1)

<https://www.tandfonline.com/toc/frfs20/34/1?nav=tocList>

01.Explaining intra-party organizational variation at the sub-national level in India

Abstract: Existing scholarship on democratic theory has emphasized the role of political party's organization in establishing institutionalized party systems. If an intra-party organization is understood to be a key explanatory variable, then it is important to explain why some political parties have a strong internal organization in comparison to others. However, there is no single study, of which I am aware, that explains variations in the level of organizations within political parties in India. Using Chhibber, Jensenius and Suryanarayan's party organization dataset alongside a qualitative example from the sub-national level in India, I show that there exists a 'U' shaped relationship between parties controlling the executive office and the strength of individual party organization.

<https://doi.org/10.1080/13597566.2021.1988575>

02. Local level failure? Non-compliance of EU environmental policy within EU multi-level governance

Abstract: Non-compliance with EU environmental policy not only impedes Europeanization, but jeopardizes the protection of human health and the environment. The research in this paper applies a comprehensive multi-level governance approach to overcome this gap and explain non-compliance with EU environmental policy. We conducted a qualitative analysis of non-compliance with the Air Quality Directive within an MLG context, based on a case study in Germany. Our findings revealed a dynamic interplay of local government's lack of action, an absence of serious support and pressure from superordinate levels, business actors exerting influence across all levels, and media reporting contributing to misinformation, all of which contribute to non-compliance.

<https://doi.org/10.1080/13597566.2021.1998006>

03. Autonomy à la carte: The creative claiming tactics of the Hungarian minority in Romania

Abstract: Analysis of policy documents and elite interviews demonstrates how 'autonomy' claiming is not only conducted explicitly. Rather, it also occurs creatively through a discursive word-play technique utilized by different minority actors which substitutes 'decentralization', 'regionalization' and 'self-governance' for 'autonomy'. However, to elites across political persuasions, and unlike differentiations in the scholarly literature, *these terms mean the same thing*. Moreover, different minority actors have a preferred discourse for claiming: 'historic autonomists' favour strong, explicit and symbolic claims while 'modern autonomists' support a strategic and creative claiming tactic. These findings of the creativity of autonomy claiming discourse can be extended to other ethnic minorities seeking institutional recognition via non-violent means.

<https://doi.org/10.1080/13597566.2021.2007887>

04. Voice in an asymmetric federation? The U.S. territories as intergovernmental actors

Abstract: Territories must find alternative approaches to exercising political voice in the American federal system. Yet territorial-federal relations have received virtually no empirical attention from federalism scholars. To address this gap, we examine territories' efforts to advance their interests within both bottom-up and top-down intergovernmental councils, as well as through territory-specific advocacy. Our analysis of organizational participation, agendas, and policy outcomes suggests that territories-while denied access to traditional mechanisms of shared rule-do participate in intergovernmental relations, through a combination of bottom-up and top-down multilateral intergovernmental councils (IGCs), as well as bilateral intergovernmental lobbying. Challenges to exercising political voice vary across these institutions.

<https://doi.org/10.1080/13597566.2022.2053522>

Journal of Asia Pacific Economy (Vol.29.1)

<https://www.tandfonline.com/toc/rjap20/29/1?nav=tocList>

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: This article differs from previous studies by concentrating on interregional capital misallocation and by focusing on the role of fiscal decentralization in shaping misallocation. Using a city level panel data set, we measure intra-provincial and inter-city capital misallocation in China over 2003–2018. 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. Using the estimated values from the expenditure model and two benchmarks: all States' average and top three States' average, per student expenditure on elementary education, the State specific finance gap and total transfers need are computed. 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. Is there reciprocity between India and RCEP member countries' goods trade?

Abstract: In early November 2019, India announced its withdrawal from the Regional Comprehensive Economic Partnership Agreement, and stated that there is a non-reciprocal trade relationship with RCEP member states, this incident has aroused extensive discussions between India and the international community. We take reciprocity as the perspective and discuss the following three

theoretical propositions: (1) Can the reciprocity coefficient be used as a basis for decision-making? (2) What is the influence mechanism of the reciprocity coefficient? (3) How will the reciprocity of RCEP changes in the future? We find that the reciprocity index is a result indicator of trade policy and trade network status. It is affected by the trade policy and trade status of related countries in the short term. It can be regarded as a warning and decision-making reference directional indicator.

<https://doi.org/10.1080/13547860.2021.1991088>

07. 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>

08. How does the productivity of foreign-invested enterprises spill over to domestic firms in Vietnamese manufacturing?

Abstract: This paper investigates the evidence of productivity spillover from foreign-invested enterprises to local firms through horizontal, backward, and forward spillover channels, using establishment-level data from Vietnam in 2006–2017. The paper also considers the effects of foreign ownership types on the existence and magnitude of the productivity spillover. In addition, the paper examines whether the involvement of domestic firms in global production networks impacts on the nature of the spillover. The findings indicate that productivity from FIEs spills over to local firms through backward and forward channels, but not horizontal channels. Lastly, local firms operating within GPNs benefit more from the presence of FIEs compared to those involved in horizontal specialization.

<https://doi.org/10.1080/13547860.2021.2009625>

09. Investment responses to trade liberalization: impact of CKFTA

Abstract: Using data from Canadian and Korean public companies available at Bloomberg, this study attempts to demonstrate the relationship between investment in establishments and trade liberalization, an effect caused mainly by increased competitiveness. 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>

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

Abstract: This paper deploys a quasi-natural experiment formed by the 'Revitalization Plan for Ten Industries' (RPTI) and examines the impacts that selective industrial policies have on capital misallocation. 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.

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

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

Abstract: This study constructs a model for consumption upgrading and applies threshold regression based on the susceptible–infectious–recovered 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. A diminishing marginal rate of substitution of economic output demand to environment demand is observed during consumption upgrading. 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>

12. Evolution of production networks and the localisation of firms: evidence from the Thai automotive industry

Abstract: In this article, we compile a new data set of firms in the Thai automotive industry and discuss the localisation of both automotive parts suppliers and assemblers in Thailand. We first review the factors affecting the development and location of the Thai automotive industry and examine how Thailand came up with the strategy to promote one-ton pickup trucks as the first ‘product champion’. We argue that the government played a significant role in creating a ‘sizable’ domestic market and building the essential infrastructure, resulting in the promotion of dynamic growth and a vibrant productive capacity. Then, applying Duranton and Overman’s continuous approach, this paper examines the localisation of automotive firms. Using the spatial distribution of manufacturing establishments as a benchmark, this study finds that all categories of parts suppliers were significantly localised.

<https://doi.org/10.1080/13547860.2021.2024361>

13. 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 -in-mean model to a series of important macroeconomic variables, and borrow macroprudential policy indices from Cerutti et al. and Alam et al. 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>

14. Impact of foreign ownership on firm productivity: evidence from Japanese manufacturing firms

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, 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. Based on the case of the manufacturing firms in Japan, this article shows that 1 percentage point increase in foreign ownership increases the firm productivity by 0.06 percent. 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>

15. Social isolation: a key to explain a migrant worker cigarette smoking

Abstract: This paper explores the relationship between social isolation and migrants' smoking behaviour 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. 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>

16. Economic policy uncertainty, resource endowments and industrial structure transformation

Abstract: This article examines the impact of economic policy uncertainty 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. In addition, from the perspective of the three industries, EPU has an inverted U-shaped relationship with the primary and tertiary sectors and a U-shaped relationship with the secondary sector. 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>

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

Abstract: This study conducted laboratory experiments to evaluate the performance of IAM with two other popular mechanisms for centralized college admissions: the deferred acceptance mechanism, and the top trading cycle mechanism. In doing so, we broadened existing research by incorporating two features. First, we assumed a competitive environment with excess demand for college seats. Second, we examined the impact of offering different amounts of information varying from just the stated minimum entry requirements to giving additional information on the number of seats available and the past average grades used to admit students in each university. 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.

<https://doi.org/10.1080/13547860.2021.2024364>

18. Unemployment disparities in Asia-Pacific economies: physical capital or human capital

Abstract: We examine whether physical capital and/or human capital accumulation explains unemployment disparities in fifteen Asia-Pacific economies over the years of 1991 to 2019, using the augmented distributed lag model and the cross-section augmented distributed lag 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>

19. Foreign residents and local public expenditure: evidence from South Korea

Abstract: This 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. We found that government spending decreases as the proportion of foreign residents among the total population increases, and this impact is particularly noticeable in social welfare spending. The results of a battery of robustness tests support these findings. Furthermore, the findings varied depending on the heterogeneities within regions and political regimes.

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

20. Income convergence of Indian states in the post-reform period: evidence from panel stationarity 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. Poor infrastructure, lack of adequate financial development, and weak governance structure coupled with low total factor productivity growth seem to be responsible for the divergence of income. 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 ones.

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

National Tax Journal (Vol.76.4)

<https://www.journals.uchicago.edu/toc/ntj/2023/76/4>

01. Territorial Tax Reform and Profit Shifting by US and Japanese Multinationals

Abstract: In 2009, Japan adopted a territorial tax regime by exempting dividends paid by Japanese-owned foreign subsidiaries to their parent firms from home-country taxation. This paper examines the impact of this tax reform on profit shifting by Japanese multinationals. I find that the semielasticity of pretax profits with respect to host-country corporate tax rates for Japanese-owned foreign subsidiaries, particularly large subsidiaries, increased after the 2008 announcement of the implementation of the territorial tax regime, relative to that for US-owned foreign subsidiaries. This suggests that large Japanese-owned foreign subsidiaries responded to the incentive for profit shifting provided by the territorial tax reform.

<https://www.journals.uchicago.edu/doi/10.1086/727012>

02. Automated Tax Filing: Simulating a Prepopulated Form 1040

Abstract: Each year, Americans spend more than 1.7 billion hours and \$33 billion preparing individual tax returns, and these filing costs are regressive. To lower and redistribute the filing burden,

researchers and policy makers have proposed having the Internal Revenue Service prepopulate tax returns for individuals. We evaluate this hypothetical policy using a large, nationally representative sample of returns filed for tax year 2019. Our baseline results indicate that between 66 and 75 million returns could be accurately prepopulated using only current-year information returns and the prior-year return. Accuracy rates decline with income and are higher for taxpayers who have fewer dependents or are unmarried. We also examine 2019 nonfilers, finding that prepopulated returns tentatively indicate \$8.2 billion in refunds due to 11 million of them.

<https://www.journals.uchicago.edu/doi/10.1086/726592>

03. Public Housing Authorities' Housing Choice Voucher Policies Can Affect SSI Participation

Abstract: Supplemental Security Income and Housing Choice Vouchers (play important roles in public assistance for low-income households with disabilities. Public housing authorities (PHAs) can give preference to people with disabilities when allocating scarce HCVs. We hand-collect policies from 1,154 PHAs, including HCV waiting list procedures, HCV waiting list preferences, and the time periods HCV waiting list were open from 2010 to 2017. When PHAs with disability preferences open their HCV waiting list, SSI applications fall. These findings suggest that increasing funding for and accessibility to HCVs for low-income households with disabilities may reduce SSI costs.

<https://www.journals.uchicago.edu/doi/10.1086/725635>

04. Agenda-Setting and Tax Referenda: Implications for Regression Discontinuity Identification Strategy Using Election Outcomes

Abstract: This paper tests the validity of using this type of RD identification strategy in county, municipality, township, and school district tax referendum elections where the taxing authority has some discretion over the referendum structure and timing. Using optimal bandwidth specifications, we find discontinuities at the majority vote threshold for numerous referendum and election characteristics that correspond with referendum aspects over which taxing authorities have discretion. In addition, when considering the distribution of election closeness, we find a change in the probability across the majority vote threshold for these types of referenda. These findings bring into question the validity of the RD identification strategy when the taxing authority has agenda-setting ability and the bandwidth selection is such that the estimated discontinuity uses election outcomes that are not extremely close to the cut off.

<https://www.journals.uchicago.edu/doi/10.1086/726225>

Fiscal Studies: The Journal of Applied Public Economics (Vol. 144-2)

<https://onlinelibrary.wiley.com/toc/14755890/2023/44/2>

01. Is it time to reboot welfare economics? Overview

Abstract: In recent decades, economics has taken a strong empirical turn as well as having a greater appreciation of the importance of the complexities of real-world human behaviour, institutions, the strengths and failures of markets, and interlinkages with other systems, including politics, technology, culture and the environment. This shift has also brought greater relevance and pragmatism to normative economics. While this shift towards evidence and pragmatism has been welcome, it does not in itself answer the core question of what exactly constitutes 'better', and for whom, and how to manage inevitable conflicts and trade-offs in society. These have long been the core concerns of welfare economics. The articles in this *Fiscal Studies* symposium engage with the question of how to revive normative questions as a central issue in economic scholarship.

<https://doi.org/10.1111/1475-5890.12334>

02. New approaches to measuring welfare

Abstract: In this article, we review recent innovations in alternate ways of conceptualising and measuring welfare for the purposes of economic welfare analysis. We focus on using stated preferences over aspects of well-being, life-satisfaction scales and the WELLBY approach, and well-being frameworks such as Bhutan's Gross National Happiness Index. This conceptualisation of welfare is typically measured using revealed preferences, proxied through income and prices or stated in willingness-to-pay surveys. Recent decades have seen growing challenges to this paradigm. The climate crisis, among other phenomena, has called into question whether income and price data effectively proxy preferences, and willingness-to-pay surveys continue to struggle with accurately pricing important items such as biodiversity, digital goods, privacy and social connections. Preference satisfaction as a welfare criterion has also been challenged conceptually by psychologists and scholars working in the development space, among others. While not without weaknesses, these approaches also have marked strengths relative to the traditional approach.

<https://doi.org/10.1111/1475-5890.12333>

03. Behavioural normative economics: foundations, approaches and trends

Abstract: This article summarises the theoretical foundations, main approaches and current trends in the field of behavioural normative economics. It identifies *bounded rationality* and *bounded willpower* as the two core concepts that have motivated the field. Since the concepts allow for individual preferences to be context-dependent and time-inconsistent, they pose an intricate problem for standard welfare analysis. The article discusses the ways in which two prominent approaches – the preference purification approach and the opportunity approach – have tackled the problem. It argues that shortcomings in each of these approaches motivate an agency-centric perspective. The article presents two concrete policy proposals of the agency-centric approach. While this approach is promising, the article argues for pluralism in normative economics since an exclusive focus on agency can likely not do justice to the multifarious concerns that citizens hold

<https://doi.org/10.1111/1475-5890.12340>

04. Moral economics

Abstract: An adequate normative economics – one that is consistent with recent developments in our discipline and that resonates with widely held moral intuitions – will have to address the following challenges. First, utility cannot be both the basis of our predictions of economic behaviour and the evaluation of the outcomes of this behaviour. Second, we need to conceive of individual well-being and other desiderata in ways that are interpersonally comparable and that go beyond efficiency and fairness. Third, the representation of the economy as a 'morality-free zone' must give way to a recognition of the unaccountable exercise of power by private actors, even in a perfectly competitive equilibrium, and the way that this may violate democratic principles and limit the freedom and compromise the dignity of other actors. Fourth, the commitment to 'liberal and the related assumption of 'unrestricted preferences' in mechanism design and public policy must be abandoned, making room for a concern about the nature of our preferences and the ways that institutions shape our values.

<https://doi.org/10.1111/1475-5890.12335>

05. Teaching economics as though values matter

Abstract: Economics is permeated with value judgements, and removing them would be neither possible nor desirable. They are consequential, in the sense that they have a sizeable impact on economists' output. Yet many economists may not even realise they are there. This paper surveys ways in which values influence economic theory and practice and explores some implications for the manner in which economics – especially welfare economics – is taught, practised and communicated. Explicit attention to values needs to be embedded in the teaching of economics at all levels.

<https://doi.org/10.1111/1475-5890.12336>

06. Pension benchmarks: empirical estimation and results for the United States and Germany

Abstract: Benchmark replacement rates are a key parameter for retirement plans. Often, a pension level of around 70 per cent of net income during working life is considered as an adequate choice. However, this heuristic value is left unjustified, and data-based benchmarks are limited. In this paper, we propose to estimate a pension-level benchmark based on keeping the living standard achieved during working life constant after retirement. Applying parametric, semi-parametric and non-parametric estimation methods to data from the United States and Germany, we find that a net pension income of around 100 per cent of the last net working-life income, plus or minus 10 percentage points, is required to keep the living standard constant. However, we also find that the outcome of the exercise can depend on how 'living standards' are measured.

<https://doi.org/10.1111/1475-5890.12338>

07. More long-term care for better healthcare and vice versa: investigating the mortality effects of interactions between these public sectors

Abstract: We analyse data on English local authorities in 2014–15 and employ a sequence of cross-sectional econometric specifications based on instrumental variables to identify the effect that LTC expenditure has on mortality through its interactions with HC services, and vice versa. Our findings suggest that any effect of LTC expenditure on mortality is likely to run through the HC sector by allowing the latter to reallocate resources from less to more effective services. A 10 per cent increase in LTC expenditure per user can indirectly save, on average, about three lives per million individuals. In addition, on top of the known HC direct mortality effects, we find that investing an extra £42 million in the HC sector – equivalent to a 10 per cent increase in HC expenditure per capita for the average local authority – can decrease the use of LTC services, producing around £7.8 million of savings.

<https://doi.org/10.1111/1475-5890.12322>

Fiscal Studies: The Journal of Applied Public Economics (Vol. 144-3)

<https://onlinelibrary.wiley.com/toc/14755890/2023/44/3>

01. Globalisation, taxation and inequality

Abstract: Today's tax systems, in which value-added taxes and payroll taxes play a prominent role, are largely creations of the 1950s. We need to invent modern tax systems adapted to the reality of the 21st century: the growing importance of capital and the rise of inequality. This article reviews some of the challenges involved with increasing the progressivity of tax systems in a globalised world and discusses how these challenges could be overcome. I make the case for new and more ambitious forms of international cooperation and for modern forms of wealth taxation.

<https://doi.org/10.1111/1475-5890.12341>

02. Twenty-five years of income inequality in Britain: the role of wages, household earnings and redistribution

Abstract: We study earnings and income inequality in Britain over the 25 years prior to the COVID-19 pandemic. We focus on the middle 90% of the income distribution, within which the gap between top and bottom in 2019–20 was essentially the same, after taxes and transfers, as a quarter-century earlier. This has led to a narrative of 'stable inequality'. In particular, there have been periods in which household earnings inequalities were changing considerably but tax and transfer policy was offsetting its effects on income inequality – in different directions at different times, reflecting sharp changes of policy approach. During the 2010s, the minimum wage emerged as the government's primary policy tool for boosting incomes, but this happened almost simultaneously with cutbacks to means-tested

transfers, meaning that household earnings inequalities fell considerably and yet net income inequality rose.

<https://doi.org/10.1111/1475-5890.12331>

03. Money matters: consumption variability across the income distribution

Abstract: Using the Consumer Expenditure Survey, we document the level and variability of quarterly consumption across the socio-economic distribution. While the measurement of well-being is focused on income, the secular and policy discourse prioritises income-adequacy to meet family needs. This concern over income-adequacy centres on the capacity of families to predictably consume minimally acceptable levels of basic needs, and the social and economic mobility consequences of low consumption. Our results show a clear socio-economic and demographic gradient of lower consumption amid higher consumption variability for disadvantaged groups. Food, entertainment, and personal care goods and services exhibit relatively high levels of consumption variability among low-income households.

<https://doi.org/10.1111/1475-5890.12339>

04. On the marginal cost of public funds: the implications of charitable giving and warm glow

Abstract: This paper highlights the important impact of charitable giving and warm glow on the identification of the marginal cost of public funds (MCF). We employ the warm glow model of charitable giving to describe taxpayer behaviour, whereas we employ the standard model to evaluate social welfare. We first identify the impact theoretically. Then we conduct simulations to quantify its size numerically. The results of our numerical simulations show that the standard model underestimates the magnitude of MCF by at least 10 per cent. Our work suggests that adopting a non-welfarist social welfare function can make a significant difference to the identification of MCF.

<https://doi.org/10.1111/1475-5890.12337>

Economic Analysis and Policy (Vol. 81)

<https://www.sciencedirect.com/journal/economic-analysis-and-policy/vol/81/suppl/C>

1. Reciprocity in migration policy and labor market integration: A lab experiment

Abstract: We experimentally study policy variations to examine economic migrants' willingness to relocate to, and take up work in, a destination country, and, in turn, destination country citizens' willingness to allow economic migrants to relocate to and pursue formal work in their country. We focus on economic migrants coming from less developed countries and citizens of more developed destination countries and find clear evidence for a reciprocal relationship between the individuals in these roles. The labour market participation of economic migrants co-moves with destination countries' openness to welcoming them. We conclude that thoughtful and balanced migration policies that consider the reciprocal relationship between migrants and citizens are crucial to support mutually beneficial co-existence in society.

<https://doi.org/10.1016/j.eap.2023.11.008>

2. Risk contribution to deposit insurance: Evidence from commercial and cooperative banks in the Eurozone

Abstract: This paper analyses how the risk of commercial and cooperative banks may affect the EDIS to assess the appropriateness of a differentiated contribution regime. Evidence shows that these institutions have different objectives, ownership structures and operational approaches that impact their risk profile. As a result, a single regulatory approach may not be appropriate and may place an additional burden on cooperative banks. We analyse risk, deposit insurance losses and financial coverage needs. We find that cooperative banks are less risky, generate fewer losses and should provide fewer resources compared to commercial banks. These findings are important to achieve a more equitable and efficient funding policy in the future development of the EDIS as the third pillar to complete the Banking Union.

<https://doi.org/10.1016/j.eap.2023.12.006>

3. The impact of antiretroviral treatment on the relationship between HIV/AIDS and economic growth

Abstract: Although there is sufficient evidence to suggest that HIV/AIDS impedes economic growth, there is limited evidence on the nature of the relationship in a setting characterised by scale-up of ART. Using data from nine provinces over the period 1995 to 2019, we examine the impact of ART on the HIV/AIDS-real GDP per capita relationship in South Africa. Our results show that ART mitigates the negative effects of HIV/AIDS on real GDP per capita by increasing worker productivity. We find a U-shaped nonlinear relationship between HIV/AIDS and real GDP per capita that is conditional to the level of ART coverage and find that the impact of HIV/AIDS on real GDP per capita is higher in men compared to women. Our findings suggest that HIV testing and treatment should be expanded to enhance productivity, and men should be prioritised.

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

4. Do mandatory environmental policies really work? A case study of California's mandatory commercial recycling law

Abstract: The objective of this research is to find out if mandatory recycling policies, such as the one implemented by California in 2012, have a significant reductive effect on landfill waste disposal. Using county-level panel data from 2001 to 2018, a two-way fixed effect DID estimator is implemented to tease out the effect of this policy on California landfills using the state of Washington as a counterfactual. Results show that this policy led to 0.082 ton-reduction in landfill waste per capita per year which amounts to 9% reduction in the total volume of landfilled waste. Thus, if cost effective, mandatory commercial recycling policies can be added to other waste reduction policies such as voluntary recycling and stimulation of the waste export market to attain maximum waste reduction benefits.

<https://doi.org/10.1016/j.eap.2024.01.007>

5. Utility of inequality sensitive measures of the gender wage gap: Evidence from South Africa

Abstract: We examine the trend in the gender wage gap in South Africa taking into consideration the high level of general inequality in the country. We utilize the information-theoretic approach of the GE measures of divergence supplemented by stochastic dominance analysis and tests. We find that the rate of convergence of the gender wage gap depends on the measure used to aggregate the gap across the entire distribution. Finally, decomposition results show that across measures, the persistent gender wage gap is attributable to wage structure effects as opposed to composition effects. Therefore, to effectively address the persistent gender wage gap in the middle of the income distribution, policies

should be geared towards the returns to characteristics at the median. The implication of these findings is that measures of the gender wage gap that ignore the overall inequality are likely to skew the estimate of the gender wage gap.

<https://doi.org/10.1016/j.eap.2023.12.017>

6. Interrelationships of renewable energy zones in Queensland: localised effects on capacity value and congestion

Abstract: This research explores the interrelationships and seasonal behaviour of nine proposed Renewable Energy Source across the Queensland region of the National Electricity Market. Assessment of the seasonal variable renewable energy supply and localised congestion effects, highlights the rapid increase in spilled energy that occurs as REZ subscription matures. Further, the contribution to the reliable supply of energy at a system level is considered through capacity value analysis and contextualised with their recent market performance. Important system planning considerations are highlighted, where analytical techniques are applied to the resource adequacy and congestion management problem.

<https://doi.org/10.1016/j.eap.2024.01.005>

7. Is carbon footprint reduction always preferred over offsetting? An analysis of tourists' preferences in the Mallorca region

Abstract: This research is devoted to the analysis of tourists' preferences for climate change (CC) mitigation policies in the Mallorca region. The stated choice experiment, used for evaluation, was designed combining a set of alternatives, characterised by carbon footprint reduction and offset policies, taking into account the existence of environmental direct benefits, but also indirect benefits that improve tourist experience or co-benefits derived from the location of policy projects. The study's findings validate the prevailing preference for carbon reduction policies over offsetting measures, except when the first don't have co-benefits and the latter are implemented locally. Results not only contributes to the ongoing economic debate surrounding CC mitigation policies but also provides key information for designing mitigation schemes in diffuse emission sectors such as tourism.

<https://doi.org/10.1016/j.eap.2024.02.018>

8. Linking Spanish wine farmers to international markets: Is direct export better than indirect export in improving farm performance?

Abstract: This study addresses this research gap by analyzing the impact of export channel choice on wine export farm performance, utilizing data collected from 479 wine-exporting farmers from Spain. The results show that the wine export price received by the direct exporters is significantly lower than that received by the indirect exports. Using domestic intermediaries for exportation can reduce information asymmetry and transaction costs, which enable indirect wine exporters to sell their products at higher prices. The findings highlight that direct and indirect exports do not generate differentiated profits, and wine farmers should choose one of them that can facilitate their access to international markets.

<https://doi.org/10.1016/j.eap.2023.11.027>

9. Understanding smallholder preferences for joint ventures in Ghana's rice sector: Improving market access through inclusive business models

Abstract: This study employs a discrete choice experiment to discern these preferences, focusing on a joint venture model within the rice sector in Ghana. Data from face-to-face surveys with smallholder rice farmers analysed with a latent class model revealed heterogeneity in preferences towards IBM attributes, with a majority choosing alternatives that were consistent with a joint venture business model. The study also identified demographic and experiential characteristics of farmers willing to engage with IBMs. The findings underscore the potential to enhance the quality of domestically produced rice through IBMs and advocate for government intervention to overcome barriers, especially in the context of investment. Additionally, the results suggest that targeting younger farmers with prior contract-selling experience could encourage participation in IBMs.

<https://doi.org/10.1016/j.eap.2023.12.011>

10. Revenue-increasing effect of rural e-commerce: A perspective of farmers' market integration and employment growth

Abstract: This study uses village and household matching information from the 2018 China Labor-force Dynamic Survey to analyze the impact of rural e-commerce on farmers' revenue. The outcomes of the baseline regression and robustness discussions show that rural e-commerce greatly improved farmers' revenue. Further analysis suggests that rural e-commerce directly affects farmers' revenue by promoting farmers' market integration, and indirectly affects it by expanding affiliated industries that can promote employment growth. In the case of a higher level of transportation infrastructure development, the impact of rural e-commerce-affiliated industries on farmers' revenue will be greater. Not all farmers receive the same benefits from e-commerce. Farmers with more human capital receive more benefits from e-commerce.

<https://doi.org/10.1016/j.eap.2023.12.015>

11. Linking farmers to markets: Assessing small-scale farmers' preferences for an official phytosanitary regime in the Kyrgyz Republic

Abstract: This study employs a randomized conjoint experiment, creating a hypothetical policy to measure the preferences of Kyrgyz fruit farmers regarding an official phytosanitary regime. Collected data from 378 farmers across five villages. Each policy alternative comprises six attributes: (1) type of service provision, (2) provision of production inputs, (3) provision of interest-free loans, (4) provision of market information, (5) provision of phytosanitary inspection frequency, and (6) annual fees. The results reveal that attributes such as market information, interest-free loans, and production inputs—particularly virus-free seedlings—significantly increase farmers' participation probability in systematization. This study addresses the practical challenges faced farmers in meeting stringent phytosanitary standards, indicating the potential of a systematization policy to enhance market access

<https://doi.org/10.1016/j.eap.2023.12.016>

12. Agricultural marketing channels and market prices: Evidence from high-value crop producers in India

Abstract: This study examines the marketing outlet choices of fruit and vegetable producers in this region and assesses how marketing channel choices influence the prices they receive for their products. Utilizing farm-level data, the study reveals that local crop producers receive higher prices (13 to 73% more) when selling through mandis compared to private traders. In comparison, farmers of high-value export crops receive lower prices (19% less) when selling through mandis compared to

private traders. This disparity emphasizes the need for tailored marketing policies rather than one-size-fits-all approaches for smallholders in development contexts.

<https://doi.org/10.1016/j.eap.2024.02.004>

13. Australian energy policy decisions in the wake of the 2022 energy crisis

Abstract: This article will argue domestic factors helped fuel record high electricity and gas prices but have since subsided or are in the process of being mitigated. As a result, policymakers should reconsider how interaction occurs with electricity and gas markets to stabilise prices. Another decade of energy and climate policy discontinuity would not be a helpful development for the desired energy transition. A survey of market participants exemplifies concern that this outcome is materialising.

<https://doi.org/10.1016/j.eap.2023.11.025>

14. Renewable hydrogen requirements and impacts for network balancing: A Queensland case study

Abstract: Hydrogen is the gas of the moment: an abundant element that can be created using renewable energy, transported in gaseous or liquid form, and offering the ability to provide energy with only water vapour as an emission. Hydrogen can also be used in a fuel blend in electricity generation gas turbines providing a low carbon option for providing the peak electricity to cover high demand and firming. Hydrogen offers a solution allowing onsite production, process heat, with waste heat recovery supporting blended gas turbine generation for onsite electricity supply. This article builds on decarbonisation pathway simulation results from an ANEM model of the electricity grid identifying the amount of peak demand energy required from gas turbines.

<https://doi.org/10.1016/j.eap.2023.12.013>

15. Does geopolitical risk affect exports? Evidence from China

Abstract: This paper utilizes export data spanning 2003–2021 to empirically investigate the influence of geopolitical risk on China's exports and unveil its specific internal mechanisms. The findings reveal that China's exports are negatively affected when its trading partners are exposed to geopolitical risk. Notably, China's OFDI is instrumental in mitigating the adverse effects of geopolitical risk on exports. Moreover, the heterogeneity analysis shows that the impact of geopolitical risk on China's exports is more significant in non-Belt and Road countries than in Belt and Road countries. Furthermore, the impact of geopolitical risk on exports also shows significant differences before and after the 2008 financial crisis.

<https://doi.org/10.1016/j.eap.2024.02.035>