

# ข้อเสนอแนะเพื่อการวิจัย



แนะนำบทความทางวิชาการที่น่าสนใจ

ประจำเดือนกุมภาพันธ์ - กันยายน 2554

ศูนย์บริหารงานวิจัยและบรรณสารสนเทศ

ฝ่ายเทคโนโลยีและบรรณสารสนเทศ

ชื่อหนังสือ : **THE ECONOMIC JOURNAL**

VOL. 120 NO. 549 DECEMBER 2010

เลขที่หนังสือ : 3 2505 00039552 1

Subject 1 :: Rational and Near-Rational Bubbles without Drift

By KEVIN J. LANSING

This article derives a general class of intrinsic rational bubble solutions in a Lucas-type asset pricing model. I show that the rational bubble component of the price-dividend ratio can evolve as a geometric random walk without drift, such that the mean of the bubble growth rate is zero. Driftless bubbles are part of a continuum of equilibrium solutions that satisfy a period-by-period no-arbitrage condition. I also derive a near-rational solution in which the agent's forecast rule is under-parameterised. The near-rational solution generates intermittent bubbles and other behaviour that is quantitatively similar to that observed in long-run US stock market data.

Subject 2 :: The Regulation of Entry and Aggregate Productivity

By MARKUS POSCHKE

Euro area economies have lower total factor and labour productivity than the US. I argue that differences in entry cost contribute to this by affecting firms' technology choice. Introducing technology choice into a standard heterogeneous-firm model, small differences in administrative entry cost can explain around one third of TFP differences. The productivity difference arises because entry costs reduce competition and the incentive to adopt more advanced technologies. Firm heterogeneity, technology choice and the competition channel all contribute to strengthening results compared to previous studies.. The effects of entry costs are even larger when the labour market is not competitive.

Subject 3 :: Endogenous Market Structures and the Business Cycle

By FEDERICO ETRO and ANDREA COLCIAGO

We characterise endogenous market structures under Bertrand and Cournot competition in a DSGE model. Short-run mark ups vary countercyclically because of the impact of entry on competition. Long-run mark ups are decreasing in the discount factor and in productivity, and increasing in the exit rate and in the entry costs. Dynamic inefficiency can emerge due to excessive entry under Cournot competition. Positive temporary shocks attract entry, which strengthens competition so as to reduce the mark ups temporarily and increase real wages: this competition effect creates an intertemporal substitution effect which boosts consumption and employment. Endogenous market structures improve the ability of a flexible prices model in matching impulse response functions and second moments for US data.

**Subject 4 :: Financial (In) Stability, Supervision and Liquidity Injections: A Dynamic General Equilibrium Approach**

**By GREGORY DE WALQUE, OLIVIER PIERRANRD and ABDELAZIZ ROUABAH**

We develop a DSGE model with a heterogeneous banking sector. We introduce endogenous default probabilities for both firms and banks, and allow for bank regulation and liquidity injections into the interbank market. We aim to understand the interactions between the banking sector and the rest of the economy and the importance of supervisory and monetary authorities in restoring financial stability. The model is calibrated against real US data and used for simulations. The minimum capital requirements of Basel I regulation reduce the long-run level of output but improve the resilience of the economy to shocks, while Basel II capital requirements increase business cycle fluctuations.

**Subject 5 :: Monetary Policy, Inflation Expectations and the Price Puzzle**

**By EFREM CASTELNUOVO and PAOLO SURICO**

This article re-examines the VAR evidence on the price puzzle and proposes a new theoretical interpretation. Using actual data and two identification strategies based on zero restrictions and model-consistent sign restrictions, we find that the positive response of prices to a monetary policy shock is historically limited to the sub-samples that are typically associated with a weak interest rate response to inflation. Using pseudo data generated by a sticky price model of the US economy, we then show that the structural VARs are capable of reproducing the price puzzle only when monetary policy is passive. The omission in the VARs of a variable capturing inflation is found to account for the price puzzle observed in simulated and actual data.

**Subject 6 :: Identification of Technology Shocks in Structural Vars**

**By PATRICK FEVE and ALAIN GUAY**

The usefulness of SVARs for developing empirically plausible models is actually subject to controversies in macroeconomics. We propose a two-step SVARs-based procedure which consistently estimates the effect of permanent technology shocks on aggregate variables. Simulation experiments from a standard business cycle model and a sticky prices model show that our approach outperforms standard SVARs. The two-step procedure, when applied to actual data, predicts a significant short-run decrease of hours after a technology improvement followed by a hump-shaped positive response. Additionally, the rate of inflation and the nominal interest rate displays a significant decrease after this shock.

**Subject 7 :: Do Auctions Select Efficient Firms?**

**By MAARTEN C. W. JANSSEN and VLADIMIR A. KARAMYCHEV**

We consider a government auctioning off multiple licences to firms that compete in an aftermarket. Firms have different costs, and cost-efficiency is private information in the auction and in the aftermarket. If only one licence is auctioned, standard results say that the most efficient firm wins the auction as it has the highest valuation for the licence. We analyse conditions under which this result does and does not generalise to the case of auctioning multiple licences and aftermarket competition. Strategic interaction in the aftermarket is responsible for the fact that auctions may select inefficient firms.

**Subject 8 :: Forced to be Rich? Returns to Compulsory Schooling on Britain**

**By PAUL. J. DEVEREUX and ROBERT A. HART**

Do students benefit from compulsory schooling? In an important article, Oreopoulos (2006) studied the 1947 British compulsory schooling law change and found large returns to schooling of about 15% using the General Household Survey (GHS). Re-analysing this dataset, we find much smaller returns of about 3% on average with no evidence of any positive return for women and a return for men of 4-7%. Additionally, we utilize the New Earnings Survey Panel Data-set (NESPD) that has earnings information superior to that in the GHS and find similar estimates: zero returns for women and returns of 3 to 4% for men.

**Subject 9 :: Heterogeneous Class Size Effects: New Evidence from a Panel of University Students**

**By ORIANA BANDIERA, VALENTINO LARCINESE and IMRAN RASUL**

Using administrative records from a UK university, we present evidence on the effects of class size on students' test scores. We estimate non-linear class size effects controlling for unobserved heterogeneity of students and faculty. We find that: (i) at the average class size, the effect size is -0.108; (ii) the effect size is negative and significant only for the smallest and largest ranges of class sizes and zero in intermediate class sizes; (iii) students at the top of the test score distribution are more affected by changes in class size, especially when class when class size are very large.

**Subject 10 :: Do Students Benefit from Attending Better Schools? Evidence from Rule-Based Student**

**Assignments in Trinidad and Tobago**

**By C. KIRABO JACKSON**

In Trinidad and Tobago students are assigned to secondary schools after the fifth grade, based on achievement tests, leading to large differences in the school environments to which students of differing initial levels of achievement are exposed. I use instrumental variables based on the discontinuities created by the assignment mechanism and exploit rich data which include students' test scores at entry and secondary school preferences to address self-selection bias. I find that attending a better school had large positive effects on examination performance at the end of secondary school. The effects are about twice as large for girls than for boys.

**Subject 11 :: A Caseworker Like Me – Does the Similarity between the Unemployed and their Caseworkers Increase Job Placements?**

**By STEFANIE BEHNCKE, MARKUS FROLICH and MICHAEL LECHNER**

This article examines whether the chances of job placements improve if the unemployed are counseled by caseworkers who belong to the same social group, defined by gender, age, education and nationality. Based on an unusually informative dataset, which links Swiss unemployed to their caseworkers, we find positive employment effects of about 3 percentage points if the caseworker and his unemployed client belong to the same social group. Coincidence in a single characteristic, e.g., same gender of caseworker and unemployed, does not lead to detectable effects on employment. These results, obtained by statistical matching methods, are confirmed by several robustness checks.

## แนะนำบทความวิชาการน่าสนใจ

### :: จัดทำโดย

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**คลิกไปที่** ➡ การบริการค้นข้อมูลออนไลน์ – เพื่อการวิจัย

โปรดติดตามฉบับที่ 2 นำเสนอ **NATIONAL TAX JOURNAL**

“เพื่อให้เกิดมูลค่าเพิ่มบนทรัพยากรที่จัดหามาได้ใช้ประโยชน์อย่าง  
คุ้มค่าและตรงกลุ่มเป้าหมายอย่างแท้จริง”

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THANK  
YOU

ชื่อหนังสือ : **NATIONAL TAX JOURNAL**

VOL. 63, NO. 4, PART 1 DECEMBER, 2010

NATIONAL TAX ASSOCIATION SYMPOSIUM

TAX POLICY IN A TIME OF GRIDLOCK

WASHINGTON, DC

MAY 13 -14, 2010

เลขที่หนังสือ : 3 2505 00040490 5

Subject 1 :: Corporate Tax Policy for the 21<sup>st</sup> Century

By Peter R. Merrill

This paper discusses three issues relating to corporate tax policy in the United States for the 21<sup>st</sup> Century. First, the paper compares U.S. corporate tax policy with that of other Organisation for Economic Co-operation and Development (OECD) economies, concluding that there is a large and growing gap between U.S. policy and international norms. Second, the paper notes a few aspects of the 21<sup>st</sup> century global economy that have profound implications for tax policy. Finally, the paper concludes with some observations about new directions for corporate tax policy in view of American tax exceptionalism and global economic trends.

Subject 2 :: Testing Behavioral Public Economics Theories in the Laboratory

By James Aim

"Behavioral economics," or the application of methods and evidence from other social sciences to economics, has increased greatly in significance in the last two decades. An important method by which many of its predictions have been tested has been via laboratory experiments. In this paper I survey and assess experimental tests of various applications of behavioral economics to the specific area of public economics, or "behavioral public economics. " I discuss the basic elements of behavioral economics, the methodology of experimental economics, applications of experimental methods to behavioral public economics, and topics in which future applications should prove useful.

Subject 3 :: Will Health Insurance Mandates Increase Coverage? Synthesizing Perspectives from Health, Tax, and Behavioral Economics

By David Auerbach, Janet Holtzblatt, Paul Jacobs, Alexandra Minicozzi, Pamela Moomau, and Chapin White

This paper provides an analytical framework for evaluating the effects of individual health insurance mandates on coverage. That framework draws from three literatures — health economics, tax compliance, and behavioral economics — to identify the factors that affect people's responses to health insurance mandates.

The health economics literature explains how people value health insurance and how changes in its costs affect coverage. The tax compliance Literature indicates that the probability of detection and people's attitudes toward risk affect perception of those costs. The salience of the mandate and social norms — factors from the behavioral economics literature — also may affect coverage decisions.

#### Subject 4 :: (Mis-) Using the Tax System to Subsidize Health Spending By Joseph R. Antos

Health reform created the opportunity to redirect tax incentives to promote greater equity, efficiency, and choice in insurance markets. The opportunity, however, has largely been lost. First, tax credits for insurance will be available only through new health insurance exchanges, not to workers with coverage through their employers, which discriminates against one group of low-income people over another based on where they work, not what they can afford. Second, the “Cadillac” tax on high-cost insurance is intended to improve incentives for efficiency in the health system, but it is only a half step that also creates new inequities. Third, new taxes imposed on insurers and health suppliers will ultimately be paid by consumers, contrary to some claims. Finally, a new Medicare tax fails to stabilize the program's financing and could have the perverse effect of delaying adoption of difficult policy actions needed to place Medicare on a sustainable fiscal path.

#### Subject 5 :: The Impact of Repealing the Exclusion for Employer-Sponsored Insurance

By Robert Gillette, Gillian Hunter, Ithai Z. Lurie, Jonathan Siegel, and Gerald Silverstein

The paper uses a new micro-simulation model to estimate the impact of repealing the employer-sponsored insurance (ESI) exclusion on ESI coverage given two alternative scenarios: a non-group market that is fully underwritten and a modified community-rated market where the low income population receives premium subsidies. When the alternative to ESI is the underwritten market, repeal of the exclusion reduces ESI coverage by 14 percent both overall and for those over 400 percent FPL. In contrast, individuals over 400 percent FPL are less likely to leave ESI when the alternative is a subsidized modified community-rated market.

#### Subject 6 :: Rethinking Foreign Tax Creditability

By Daniel N. Shaviro

International tax policy experts often mistakenly conflate two distinct margins : (1) the overall tax burden on outbound investment, and (2) the marginal reimbursement rate (MRR) for foreign taxes paid, which is 100 percent under a foreign tax credit system, but equals the marginal tax rate for foreign source income under an explicit or implicit deductibility system (such as exemption). From a unilateral national welfare standpoint, whatever the right answer at margin (1) , deductibility is clearly optimal, and creditability dangerously over-generous, at margin (2).



**Subject 7 :: Do Strong Fences Make Strong Neighbors?** By [Mihir A. Desai and Dhammika Dharmapala](#)

Many features of U.S. tax policy towards multinational firms — including the governing principle of capital export neutrality, the byzantine system of expense allocation, and anti-inversion legislation — reflect the intuition that building “strong fences” around the United States advances American interests. This paper examines the interaction of a strong fences policy with the increasingly important global markets for corporate residence, corporate control and corporate equities. These markets provide opportunities for entrepreneurs, managers, and investors to circumvent a strong fences policy. The paper provides simple descriptive evidence of the growing importance of these markets and considers the implications for U.S. tax policy.

**Subject 8 :: Should Tax Policy Target Multinational Firm Headquarters?** By [Kimberly A. Clausing](#)

This paper considers the nature of multinational firm headquarters, discussing whether multinational headquarters are a desirable target of tax policy. Prior literature suggests that multinational firms are sensitive to tax policy considerations in headquarters location decisions. Fortune 500 lists of the world's largest firms show informative patterns of headquarters location, but there is little systematic relationship between these firms' headquarters locations and tax policy variables. Similarly, there is an ambiguous relationship between indicators of country-wide scientific achievement and tax variables. Implications for tax policy are discussed, with an emphasis on the interaction between increasing economic integration and tax policy design.

**Subject 9 :: Simplicity: Considerations in Designing a Unified Child Credit** By [Elaine Maag](#)

Complexity plagues the tax code for low-income families, particularly with regard to child related credits. Many analysts advocate separating out the essential functions of these credits: subsidizing work, subsidizing children, and subsidizing specific activities such as child care. This paper analyzes design considerations in creating a unified child credit and offers options for reforms that range from a complete overhaul of the child and work incentives to a more minor consolidation of highly related tax incentives. Either could form the foundation for reform efforts aimed at simplifying and rationalizing the federal income tax code with respect to children.

**Subject 10 :: Taxation and the Financial Sector**

By [Douglas A. Shackelford, Daniel N. Shaviro, and Joel Slemrod](#)

In the aftermath of the recent financial crisis, a variety of taxes on financial institutions have been proposed or enacted. The justifications for these taxes range from punishing those deemed to have caused or unduly profited from the crisis, to addressing the budgetary costs of the broader social costs and benefits of their actions. Although there is a long-standing literature on corrective, or Pigouvian, taxation, most of it has been applied to environmental externalities, and the externalities that arise from the actions of financial institutions are structurally different. This paper reviews the justifications for special taxes on financial institutions, and addresses what kinds of taxes are most likely to achieve the various stated objectives, which often are in conflict. It then critically assesses the principal taxes that have been proposed or enacted to date: financial transactions taxes, bonus taxes, and taxes on firms in the financial sector based on size, bank liabilities, or excess profits.



## Subject 11 :: Institutions and Fiscal Sustainability

By Shanna Rose

As budgetary commitments outpace current revenues and long-term liabilities balloon, the fiscal sustainability of state and local governments is a matter of mounting concern. Over the years, these governments have experimented with a wide variety of political and fiscal institutions, ranging from direct democracy to balanced budget rules, with the goal of slowing the growth of government and increasing financial responsibility. This article synthesizes the related empirical literature, summarizing what we know (and don't know) about the effectiveness of various rules and procedures in promoting, fiscal sustainability.

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โปรดติดตามฉบับที่ 3 THE ECONOMETRICS JOURNAL

“เพื่อให้เกิดมูลค่าเพิ่มบนทรัพยากรที่จัดหามาได้ใช้ประโยชน์อย่าง  
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ขอขอบคุณ



# แนะนำบทความวิชาการน่าสนใจ

ฉบับที่ ๑

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## BOOK : THE ECONOMIC JOURNAL

VOL. 121, NO. 550, FEBRUARY 2011

THE JOURNAL OF THE ROYAL ECONOMIC SOCIETY

### SUBJECT 1 :: THE EFFECTS OF GOVERNMENT PURCHASES SHOCKS : REVIEW AND ESTIMATES FOR THE EU BY ROEL BEETSMA AND MASSIMO GIULIODORI

In this article, we review the theoretical consequences of government purchases shocks for both closed and open economies, followed by a discussion of the empirical literature. Next, we provide our own estimates for the EU countries. We find that an increase in government purchases raises output, consumption and investment and reduces the trade balance. However, the stimulating effect is weaker and the trade balance reduction is larger for the more open EU economies, consistent with larger leakage effects. Further, we show that government purchases shocks in large EU economies have non-negligible consequences for economic activity in the main trading partners.

### SUBJECT 2 :: THE TIMING AND PERSISTENCE OF FISCAL POLICY IMPACTS ON GROWTH : EVIDENCE FROM OECD COUNTRIES

BY NORMAN GEMMELL, RICHARD KNELLER AND ISMAEL SANZ

The literatures testing for aggregate short-run or long-run growth impacts of fiscal policy use quite different methodologies. The former generally focuses on temporary fiscal 'shocks'; the latter typically have no short-run dynamics or assume homogeneity. We use regression methods that treat heterogeneous short-run dynamics explicitly within a long-run model. Results suggest that previously estimated 'long-run' growth effects of fiscal policy are typically achieved quickly, consistent with results from short-run models. In principle these short-run effects 'persist' ; in practice regular fiscal policy changes in OECD countries mean that persistent increases or decreases in growth rates are rare.

### SUBJECT 3 :: TAX POLICY FOR ECONOMIC RECOVERY AND GROWTH

BY JENS MATTHIAS ARNOLD, BERT BRY'S, CHRISTOPHER HEADY, ASA JOHANSSON, CYRILLE SCHWELLNUS AND LAURA VARTIA

This article identifies tax policy that both speeds recovery from the current economic crisis and contributes to long-run growth. This is a challenge because short-term recovery requires increases in demand while long-term growth requires increases in supply. As short-term tax concessions can be hard to reverse, this implies that policies to alleviate the crisis could compromise long-run growth. The analysis makes use of recent evidence on the impact of tax structure on economic growth to identify which growth-enhancing tax changes can also aid recovery, taking account of the need to protect those on low incomes.

**SUBJECT 5 :: DESTRUCTION AND DISTRESS : USING A QUASI-EXPERIMENT TO SHOW THE EFFECTS OF THE SEPTEMBER 11 ATTACKS ON MENTAL WELL-BEING IN THE UNITED KINGDOM**  
**BY ROBERT METCALFE, NATTA/UDH POWDTHAVEE AND PAUL DOLAN**

Using a longitudinal household panel dataset in the UK, where a significant proportion of the interviews are conducted in September each year, we are able to show that the attacks of September ๑๑ resulted in lower levels of subjective well-being for those interviewed after that date in ๒๐๐๑ compared with those interviewed before it. This quasi-experiment provides one of the first examples of the impact of a terrorist attack in one country on well-being in another country.

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# แนะนำบทความวิชาการน่าสนใจ

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## BOOK : THE ECONOMIC JOURNAL

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## Book : ASIAN-PACIFIC ECONOMIC LITERATURE

Code : 3 2505 00043196 5

### Panel 1 :: The impact of the global economic crisis on sovereign wealth funds

Much like other asset classes and sectors of the global economy, the recent global financial crisis was a painful yet transformative time for sovereign wealth funds (AWFs). Alongside most pension, mutual and private equity funds, SWFs endured heavy losses between mid-2007 and early 2009, inviting a wave of criticism and scrutiny from their own governments not seen by most SWFs since their inception. The need for governments to call on SWFs for economic support during the crisis, combined with heavy losses from investment championed by many managers as sure long term bets, also spurred a wave of internal criticism and re-evaluation within SWFs and their managing bodies. Although the recent global turmoil has left most funds with less capital for investment and has put many SWFs under increased scrutiny from governments and the press, many of the lessons learned from the crisis have also strengthened SWFs. SWFs are now well-positioned to carry out their stated goals: growing a country's wealth for future generations, stabilising a country during economic shocks, and helping enhance a country's comparative advantages through strategic investment and acquisitions. On the other hand, with some of the events associated with the global crisis may have taught SWFs and their sovereigns the wrong lessons. For example, top managers may now place stronger emphasis on short-term returns to justify their job security, and sovereigns may be more willing to use SWFs to underwrite economic policies that be unsustainable in the long run.

By Bryan J.Balin

### Panel 2 :: Infrastructure policy in Asian developing countries

Infrastructure policy has attracted increase interest across developing countries in Asia in recent years. There has been rising awareness of the costs of the neglect of infrastructure (Rogoff 2006), and moves by regional governments to stimulate aggregate demand on the wake of the global financial crisis encouraged planner to consider how to promote new infrastructure projects. In China, for example, well over half of the stimulus package, amounting to over US\$850 billion, announced in late 2008, was expected to be devoted to infrastructure. In addition, government in India, Thai land, Indonesia, and other regional developing countries announced plans to boost spending on major infrastructure project in 2008 and early 2009. At the broadest level, the urgent need for very large increases in investments in infrastructure in most developing countries in Asia is very clear. Neither is there any shortage of ambitious proposals. Priorities for project selection vary by country and by sector, but at the overall level, the very wide differences in access to basic infrastructure between the developed and developing world—a

global infrastructure imbalance—are very large indeed. Similarity, data from selected Asian developing countries illustrate the urgent need to expand the supply of infrastructure to meet the basic needs of millions of people across the regions. More detailed information is suggestive of wide variation in the quality of infrastructure by country, which is, not surprisingly, roughly correlated with income per capita.

By Peter McCawley

### **Panel 3 :: Economic liberalisation strategies and poverty reduction across Indian states**

Developing countries undertake economic liberalization to reduce the gap between their potential and actual performance and thereby improve their economic performance. Generally, the gap between the potential and actual performance of an economy emanates its structural and institution rigidities, which constrain the economy from using technology and resource efficiently. These rigidities also limit the country's access to modern technology, which is usually transferred from developed countries through foreign direct investment (FDI). An effective liberalization strategy is expected to lead to structural change that improves the performance of the economy, which in turn attracts more FDI and induces further structural change and improved economic performance. In this context, the notable example is China, which began its economic liberalisation journey in 1978.

By Kaliappa Kalitajan and Kanhaiya Singh

### **Panel 4 :: Unilateral liberalization and WTO GATS commitments: the telecommunications sector in selected countries**

In the service sector, liberalisation attempts by the World Trade Organization (WTO) could not deliver much beyond unilateral measures. Unilateral liberalisation (UL) means liberalisation of the trade and investment regimes undertaken by countries under their own stream and not as a binding commitment in an international agreement. UL is seen as a powerful means for developing countries to promote economic growth (Bosworth and Holmes 2005). Several factors such as the widespread prevalence of regulation of services, the requirements for capital and human movement across borders to supply service, the apprehension of developing countries that their services sector is inefficient and non-competitive (Whalley 2004) and is therefore unable to withstand foreign competition, and the concern that General Agreement on Trade in Services (GATS) commitment will deprive regulators of the authority to regulate are responsible for the less than expected liberalisation under the WTO (Pattanaik 2006; Hoekman et al 2007).

By Quamrul Alam, Mohammad Abu Yusif, and Ken Coghill

### **Panel 5 :: China's Great Ascendancy and structural risks : consequences of asymmetric market liberalization**

According to market exchange rate-based GDP measures, by the end of 2007, China had already overtaken Germany to become the world's third largest economy. However, purchasing power parity-based GDP measures ranked China as the second largest economy after the USA. China's economy was 64 per cent larger than Japan's. The rise of the Chinese economy accelerated and the global financial



crisis intensified in 2008-09. China become an important force for stabilization of the global economy. US efforts to arrest the downward spiral resulting from the crisis also depend on the cooperation of the Chinese authorities. Prominent economists, including Fred Bergsten and Justin Lin, called for the USA and China to pursue coordinated approaches toward global issues through formal or informal 'G-2' mechanisms (;Bergsten et al. 2008; Zoellick and Lin 2009).

By Yiping Huang

#### Panel 6 :: From Washington Consensus to BeST Consensus for world development

The recent upheaval in global financial markets and now in the world economy clearly calls into question the neoliberal consensus that has been enforced in Washington, and opens the way to alternatives that have long been suppressed. One of the first matters to come up for reconsideration must surely be the speculative neoliberal doctrines as to what 'works' for world development—the Washington Consensus (WC). Such reconsideration makes more sense as in 2009, the Leontief Prize is awarded to Robert Wade and Jose Ocampo for their work that takes the world 'Beyond the Washington Consensus'. There is wider scholarly disquiet over the WC; for example, Rodrik(2006:974) states that the question is not whether the WC is alive or dead, but what will replace it. Therefore, it is timely and appropriate to review the grounds of the WC and to frame realistic alternatives.

By Keun Lee and John A.Mathews

จัดทำโดย

นายวสันต์ ทองรอด นักศึกษาฝึกงาน มหาวิทยาลัยสงขลานครินทร์ วิทยาเขตสุราษฎร์ธานี

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คลิกที่



แนะนำบทความวิชาการน่าสนใจ และหนังสือหายากอิเล็กทรอนิกส์ e-Book

## *Book : Sasin ; Journal of management Vol. 16 No.1, 2010*

### *Chapter 1 :: Sufficiency economy principles and corporate social responsibility*

Corporate social responsibility or CSR provides a decision-making framework for all businesses that finds a mean between excessive state regulation of private selfishness imposing the costs of such private actions on others - the environment, customer, employees, the community.

CSR accepts as legitimate the autonomy of private property and free market but it provides private sector decision-makers with guidance as to optimal strategies for sustainable profitability. CSR provides a theory of business firm that takes into account the contributions of customers, employees, owners, creditors, suppliers, and the community, including the environment, CSR confronts the externalities of private business, which are benefits and costs to others, and seeks to have a benefits maximized and costs minimized through responsible decision-making on the part of the firm.

The sufficiency economy approach to business management seeks sustainable business profitability. It does not rely on government regulation of business to produce growth and profits. Nor does it have confidence on robust market selfishness and exploitation of others as the best strategy for sustainable business success. The Sufficiency Economy approach is thus another form of CSR strategic guidance.

*By...Stephen B. Young*

### *Chapter 2 :: Is the Love of Money Universal amongst Aspiring Malaysian Managers?—AN EMPIRICAL CASE STUDY*

The rise in economic crime is a growing global threat, and this threat is also prevalent in Malaysia, with members of senior management being incriminated in 21 percent of the reported fraud cases. This is higher than the 17 percent registered for the Asia and Pacific region and 18 percent globally (Pricewaterhouse Coopers

2005 ). The root cause of corporate scandals in America, according to Kochan (2002), is the overemphasis that American corporations have been forced to give on recent years to maximizing shareholder value without any regard for the effect of their actions on other stakeholders. The love of money does not represent one's needs; instead it reflects one's wants and values (Locke 1969). Hence, the love of money is related to greed and materialism. Greed is defined as an inordinate desire for wealth (Sloan 2002). Materialism is the belief that the pursuit of physical well-being is of the highest value in life. All wrong doings can be traced to an excessive attachment to material wealth as materialistic people are only concerned with possession defined success (e.g. owning things to indicate success) and acquisition as a pursuit of happiness (e.g., feeling happy about owning thing). Greater materialism results in loss of a sense of community, which in turn makes individuals more selfish and less altruistic (Ang 2000). Hence, the purpose of this study is to examine the impact of the love of money and religiosity on the ethical orientations of future managers on Malaysia. It also seeks to determine whether this love of money is a universal phenomenon amongst the major ethnic races in Malaysia.

*By ... Debabrata Chatterjee*

### *Chapter 3 :: Behavior and Factor Affecting the Selection of Reading Media by People of Different Lifestyles on the Bangkok Metropolis*

The reading ratio of a population is correlated to its education level. Thais who are more educated read more than those who have received less education. Finally, the survey found that the reading material most read is a newspapers, followed by novel, cartoons, and magazines, in descending order. Among Thais, Bangkok resident have the highest literacy rate at 82.6 percent (6.2 million).

Reading is an important factor when it comes to developing the Thai workforce. The ministry of Education found that very few Thai people read books or visit libraries, which was why national agenda of encouraging the reading habit and creating a more pleasant environment to promote the habit of reading - were implemented as part of the national agenda to make the program successful (Thansettakij Newspaper 2009).

*By... Thamonpat Khamsiri*

## ***Chapter 4 :: Customer Satisfaction and Quality of Public Service in Fiji and the Solomon Islands***

*Achieving customer satisfaction by identifying customer needs and by providing the best customer service is a key priority for every government all around the globe. Therefore meeting customer needs has become important and a primary goal for public service agencies. For example, hospitals and other institutions are investing substantial time and resources into improving patient satisfaction as part of their customer retention program (Bechel, Myers, and Smith 2000; Burroughs et al. 2000). Similarity, various government providing public services through different agencies in different parts of the world are also eager to know about the quality of their services and customer satisfaction. The importance of consumer satisfaction drives various agencies in the service sector to conduct consumer satisfaction surveys from time to time and report to what extent their consumers are satisfied. There is also a growing managerial interest in using consumer satisfaction as a criterion for diagnosing service-related performance (Doherty and Horne 2002). Many organizations are trying to evaluate and determine the quality of services delivered (Halaris et al. 2007).*

*By... Rafia Naz, Gurmeet Singh and Raghurvar Dutt Pathak*

## ***Chapter 5 :: Organizational Downsizing : A review of Two Decades of a Strategic Phenomenon***

*Back in 1993, the Academy of Management Executives featured Cascio's article entitled Downsizing: What do we know? What have we learned? The work was based entirely on the U.S. experience. Since then, a plethora of research studies on downsizing have been conducted in various countries. Academic enquiry into downsizing accelerated throughout the 1990s and has remained popular ever since ( Gandolfi 2008). The Social Sciences Citation Index (SSCI),for instance, shows that 494 academic papers were published from 1990-1999 containing downsizing (or variants) in the title, keywords, or abstract-the peak years being 1996-1999. The primary objective of this research article is to update Cascio's work and to provide a comprehensive review of the work of researchers over the past 20 years. In that sense, this article will assist the processes of research and theory-building for the 2010s.*

*Structurally, this research paper begins by examining the history, definition and scope of downsizing. Subsequently, the focus shifts to the causal (driving) factors, the implementation strategies, and the financial and human consequences following the conduct of downsizing. In the final sections, the paper presents the paradox of downsizing practices, and concluding remarks.*

*By.., Franco Gandolfi*

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## Book : Chulalongkorn journal of economics

Code : 3 2505 00039591 3

### Chapter 1 :: Malaysia and South Korea : A decade after the Asian Financial Crisis

The Asian financial crisis started in July 1997 with the collapse of the Thai baht, and quickly spread to surrounding nations in the East Asian region. Particularly, it resulted in economic problems in Indonesia, Thailand, Malaysia and South Korea. These four countries had enjoyed strong economic growth for several decades (Kypher & Dietz, 1997). Nevertheless, the crisis had a severe impact on their economic performance and social and political situation. Political turmoil was particularly dramatic in Indonesia where President Suharto resigned after being power for three decades (Schwarz, 2004). In the following four years, explanations for the causes of the crisis generally focused on two broad topics : the first concerned external shocks, such as the depreciation of the US Dollar vis-a-vis the Japanese Yen between 1995 and 1997 and the speculation of currency traders and second, internal deficiencies such as excessive financial liberalization that led to a virtual absence of proper regulatory environments, extreme mobility of financial capital and risky activities of ever expanding conglomerates.

By Hye Jin Zumkehr Edo Andriesse

### Chapter 2 :: The Dilemma of Japan's Corporate Governance

The great success of the Japanese economy in the 1970s and 1980s prompted the question as to whether the Japanese corporate governance model deserved to be considered as an alternative to the Anglo-American model. Some scholars inclined to believe it did (Porter, 1996; Shleifer and Vishny, 1997; Whitley, 1999). The interest in

the capability and governance system of Japanese firms can be dated back to the era of post World War II when the integration of firm skills across work functions had been promoted and became their business strength (World Bank, 1993; Whitley, 1999). The role of the government in the Japanese firm's capability has also been noticed. The Japanese government provided financial and other support to companies through the network of financial institutions, known as the "convoy" system, of which the main bank played the central role. Along with support, the bureaucracy also coerced the firms to comply with "administrative guidance" to ensure the national interest (Singh and Zammit, 2006: 223). The convoy system empowered the main bank to play a critical role in monitoring and partly disciplining Japanese firms in the past. The success of large Japanese firms and their internal capital accumulation since the 1960s has mitigated their financial dependence on local financial institutions, which then had to resort to other risky business transactions, including involvement with the securities and price-inflated real estate business. The role of the main bank, which had been the strong pillar of Japanese corporate governance, has gradually disappeared (Aoki, 2001: 343). In this article, the definition of corporate governance is based upon the Trimiti Theory (Chaithanakit, 2006a), which was adapted from Zingales (1998), and defined as "the balance of authoritative capability and control power under cultural consensus that shapes the bargaining over resource allocation and quasi-rents generated by the firm. Meanwhile, national economic governance is defined as "the balance of institutional influence that shaped that pattern of resource allocation and economic development of the nation." There were failures among the successful firms which sought bail-outs by the government through the convoy system, particularly by the main bank. The convoy system might have provided a faulty safety net in that it possibly created a moral hazard and misled people away from their concern over the soundness of an individual firm's management (Horiuchi, 2001: 93-3). The burst of the economic bubble in early 1999 that caused widespread bankruptcy in real estate firms and financial institutions has put the Japanese economy in the longest



stagnation since World War II. Several corporate and governmental scandals were disclosed. There is evidence indicating that Japanese government interventions have largely been determined by parochial politics in which large declining sectors exert disproportionate influence (Noland, 2007: 17). The strong criticism from the media against alleged favoritism has brought the convoy system and governmental interference to a halt, along with the declining role of the main bank within the corporate governance landscape (Aoki, 2001: 343; Okumura, 2004; Freedman, 2007: 39)

By Surasak Chaithanakij

### Chapter 3 :: Development of SME in ASIAN with Reference to Indonesia and Thailand

From a worldwide perspective, it has been recognized that Small and Medium Enterprises (SMEs) play a vital role in economic development, as they have been the primary source of job/employment creation and output growth not only in developing primary but also in developed countries. In Piper's (1997) dissertation, for instance, it states that 12 million or about 63.2% of the total labor force in the United States work in 350,000 firms employing less than 500 employees, which are considered as SMEs. According to Aharoni (1994), SMEs make up more than 99% of all business entities and employ more than 80% of the total workforce in this country. These enterprises, often called foundation enterprises, are the core of the US industrial base (Piper, 1997). SMEs are also important in many European countries. For example, in the Netherlands, they account for 95% or more of total business establishments (Bijmolt and Zwart, 1994). As in the US, also in the other industrialized/OECD countries such as Japan, Australia, Germany, French and Canada, SMEs are an important engine of economic growth and technological progress (Thornburg, 1993). In developing countries, SMEs also have a crucial role to play because of their potential contribution to improvement of income distribution, employment creation, poverty reduction, export growth and the development of entrepreneurship, industry and the rural economy. According to Levy et al. (1999), there is no doubt that the performance of SMEs is extremely important for the economic development of most less-developed countries. For this reason, the

governments in these countries have been supporting SMEs extensively through many programs, with subsidized credit schemes as the important component. International institutes such as the World Bank (WB) and the United Nation Industry and Development Organization (UNIDO) and many donor countries through bilateral co-operations have also done a great deal financially as well as technically, in empowering SMEs in developing countries. In developing Asia (including ASEAN), SMEs have made significant contributions over the years measured in terms of their share in ; (a) number of enterprises; (b) employment; (c) production and value added; (d) GDP; (e) enterprises set up by women entrepreneurs; and (f) regional dispersal of industry, among others. The contribution of SMEs is vital in as much as they, by a large: (a) make up 80–90% of enterprises; (b) provide over 60% of the private sector jobs; (c) generate 50–80% of total employment; (d) contribute about 50% of sales or value added; (e) share about 30% of direct total exports (Narian, 2003).

By Tulus Tambunan

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## Book : The Economic Journal

VOL. 121, NO. 551, MARCH 2011  
The journal of the royal economic society  
เลขที่หนังสือ : 3 2505 00049066 4

### Subject 1 :: Harnessing Windfall Revenues: Optimal Policies for Resource-Rich Developing Economies

A windfall of natural resources (or aid) faces government with choices of how to manage public debt, investment and the distribution of funds for consumption. The permanent income hypothesis suggests a sustained in consumption supported, once resources are depleted, by interest on accumulated foreign assets. However, this strategy is not optimal for capital-scarce developing economies. Incremental consumption should be skewed towards present generations. Savings should be directed to accumulation of domestic private and public capital rather than foreign assets. Optimal policy depends on the impact of distortionary taxation and ability of consumers to borrow against future revenues.

By Frederick van der Ploeg and Anthony J. Venables

### Subject 2 :: The Long Term Consequences of Resource-Based Specialisation

Using geological variation in oil abundance in the Southern US, I examine the long term effects of resource-based specialization through economic channels. In 1890 oil abundant counties were similar to other nearby counties but after oil was discovered they began to specialize in its production. From 1940-90 oil abundance increased local employment per square kilometre especially in mining but also in manufacturing. Oil abundant counties had higher population growth, higher per capita income and better infrastructure.

By Guy Michaels

### Subject 3 :: The Quality of Political Institutions and the Curse of Natural Resources

We propose a theoretical model to explain empirical regularities related to the curse of natural resources, which emphasizes the behaviour and incentives of politicians. We extend the standard voting model to give voters

political control beyond the elections. This gives rise to a new restriction that policies should not give rise to a revolution. Our model clarifies when resource discoveries might lead to revolutions, namely, in countries with weak institutions. It also suggests that for bad political institution human capital depends negatively on natural resources, while for high institutional quality the dependence is reversed. This finding is corroborated in cross-section regressions.

By Antonio Cabrales and Esther Hauk

#### Subject 4 :: More Oil, Less Democracy : Evidence from Worldwide Crude Oil Discoveries

This article exploits variations in the timing and size of oil discoveries to identify the impact of oil wealth on democracy. I find that discovering 100 billion barrels of oil (approximately the initial endowment of Iraq) pushes a country's democracy level almost 20 percentage points below trend after three decades. The estimated effect is larger for oilfields with higher-quality oil and lower exploration and extraction costs. However, the estimates become less precise when oil abundance is measured by oil discovery per capita, suggesting politicians may care about the level instead of the per capita value of oil wealth.

By Kevin K. Tsui

#### Subject 5 :: Market Power in an Exhaustible Resource Market : The Case of Storable Pollution Permits

Motivated by the structure of existing pollution permit markets, we study the equilibrium path that results from allocating an initial stock of storable permits to an agent, or a group of agents, in a position to exercise market power. A large seller of permits exercises market power no differently than a large supplier of an exhaustible resource. However, whenever the large agent's endowment falls short of his efficient endowment – allocation profile that would exactly cover his emissions along the perfectly competitive path – market power is greatly mitigated by a commitment problem, much like in a durable-goods monopoly. We illustrate our theory with two applications: the US sulphur market and the international carbon market that may eventually develop beyond the Kyoto Protocol.

By Matti Liski and Juan-Pablo Montero

#### Subject 6 :: Entry Barriers in Retail Trade

The 1998 reform of the Italian retail trade sector delegated the regulation of entry of large stores to the regional governments. We use the local variation in regulation to determine the effects of entry barriers on sectoral performance. We address the endogeneity of entry barriers through local fixed effects and using political variables as instruments. We also control for differences in trends and for area-wide shocks. We find that entry barriers are associated with

substantially larger profit margins and lower productivity of incumbent firms. Liberalising entry has a positive effect on investment in ICT, increases employment and compresses labour costs in large shops. In areas with more stringent entry regulation, lower productivity coupled with larger margins results in higher consumer prices.

By Fabiano Schivardi and Eliana Viviano

## Subject 7 :: Technical Progress and Early Retirement

This article examines the effect of sector technical change on early retirement and identifies two opposing effects. One is caused by the need to learn the new technologies. As older workers have shorter career horizons, they gain less from such learning and retire earlier. This is the erosion effect. The second effect is opposite. Since technologies are positively correlated across sectors and since aggregate technical change raises aggregate wages, sector technical change is negatively related to early retirement. This is the wage effect. Using individual and sector data, we separate the two effects and find empirical support for the theory.

By Avner Ahituv and Joseph Zeira

## Subject 8 :: Studying Abroad and the Effect on International Labour Market Mobility : Evidence from the Introduction of Erasmus

We investigate the effect of studying abroad on international labour market mobility later in life for university graduates. We exploit the introduction and expansion of the European ERASMUS student exchange programme as an instrument for studying abroad. We find that studying abroad increases an individual's probability of working in a foreign country by about 15 Percentage points. We investigate heterogeneity in returns according to parental education and the student's financial situation. Furthermore, we suggest mechanisms through which the effect of studying abroad may operate.

By Matthias Parey and Fabian Waldinger

## Subject 9 :: The Level and Distribution of Global Household Wealth

The level of average household wealth in all countries is estimated via the determinants of assets and debts for 39 countries which have balance sheet or survey data. The distribution of wealth in all countries is inferred from information on the pattern of wealth ownership for 20 countries (covering 59% of world population). Combining the level and distribution figures suggests that median global wealth was PPP\$8,635 in the year 2000, and that PPP\$518,361 was needed to belong to the top percentile. The top decile owned 71% of world wealth and the global Gini value was 0.802.

By James B. Davies, Susanna Sandström, Anthony Shorrocks and Edward N. Wolff

## Subject 10 :: Pre-Industrial Inequality

Is inequality largely the result of the Industrial Revolution? Or, were pre-industrial incomes as unequal as they are today? This article infers individuals within each of the 28 pre-industrial societies, for which data were available, using what are known as social tables. It applies two new concepts: the inequality possibility frontier and the inequality extraction ratio. They compare the observed income inequality to the maximum feasible inequality that, at a given level of income, might have been 'extracted' by those in power. The results give new insights into the connection between inequality and economic development in the very long run.

By Branko Milanovic, Peter H. Lindert and Jeffrey G. Williamson

## Subject 11 :: Fiscal Policy in a Tractable Liquidity-Constrained Economy

We analyse the effects of fiscal expansions when public debt is used as liquidity by the private sector. Aggregate shocks are introduced into an incomplete-market economy where heterogeneous agents face occasionally binding borrowing constraints and store wealth to smooth out idiosyncratic income fluctuations. Debt-financed increases in spending facilitate self-insurance by bond holders and may crowd in private consumption. They also loosen the borrowing constraints faced by firms, thereby raising labour demand and possibly the real wages. Whether private consumption and wages rise or fall ultimately depends on the relative strengths of the liquidity and wealth effects that arise following the shock.

By Edouard Challe and Xavier Ragot

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Journal : FORTUNE

Code : 3 2505 00049111 8

## Chapter 1 :: CHRIS WHITTLE'S PLAN TO MAKE A WORLD-CLASS PRIVATE SCHOOL

There is aggressive, there's cutthroat, and then there's the competition to get your child into the best-and most expensive-private school in big cities, especially in New York. So many wunderkinds, so few spaces in those 70 or so prized institutions. Forget Harvard or Stanford. If Molly or Max-or Raj or Xiu Ying-don't get into the right kindergarten, they're probably doomed to a life at a filling station. Public schools just aren't perceived as much of an option. On a recent Saturday morning in the orange-and-purple theater of the fabulous Crosby Hotel in Manhattan's SoHo, 100 parents have gathered to hear about an elite school that will open in the fall of 2012. Avenues: The World School will have 1,600 students, age 3 to 18-from K through 12, as well as two nursery-school grades. The parents-an international-looking mix, some in suits and a few in pearls-have lots of earnest, eager questions: Can the school be as good as such icons as Horace Mann and Brearley? What will the uniform look like? And, well, will you started accepting applications now?\*

## Chapter 2 :: FORGET STOCKS.DON'T BET GOLD.AFTER FOUR YEARS OF PLUNGING HOME PRICES, THE MOST ATTRACTIVE ASSET CLASS IN AMERICA IS HOUSING. IT'S TIME TO BUY AGAIN

Today Castleman is witnessing an extraordinary reversal of the new-home glut that helped sink prices just a few years ago. In the 41 cities Metrosdudy covers, a total of 78,000 houses are now either vacant and for



sale, or under construction. That's less than one-fourth of the 343,000 unit in those two categories at the peak of the frenzy in mid-2006, and well below the level of a decade ago. "if we had anything like normal levels of buying; those houses would sell in 2.5 months," says Castleman. "We'd see an incredible shortage. And that's where we're heading." If all the noise you're hearing about housing has you totally confused, join the crowd. One day you'll read that owning a home has never been more affordable. The next day you'll see news that housing starts have plunged to nearly their lowest level in half a century, as headlines announced in March. After four years of falling prices and surging foreclosures, it's hard to know what to think. Even Robert Shiller and Karl Case can't agree. The two economists, who together created the widely followed S&P/Case-Shiller Home Price indices, are right now offering sharply contrasting views of housing's future. Shiller recently warned that the chances were high for a further double-digit drop in U.S. home prices. But in an interview with *Fortune*, Case took a far brighter view: "The lack of new home and building is a huge help that a lot of people are ignoring" says Case. "People think I'm crazy to be optimistic, but housing is looking like the little engine that could."\*

### Chapter 3 :: WHAT'S NEXT FOR NUCLEAR POWER?

The human suffering in the Japanese disaster is obviously the overwhelming fact in the situation. Longer term, its effects will shape people's well-being less severely but more widely. As the rubble clears, abaft of positive news emerging is that the incident's impact on the global economy will be slight. Historic as the catastrophe was, most forecasters expect it to slow growth only 0.1% to 0.2% this year. The far more significant effect will be how the world responds to the disaster, which will influence our lives for years to come. Most profoundly affected will be nuclear power, and the danger is that the world's response to the events at Fukushima may not be rational. As *The Black Swan* author Nassim Nicholas Taleb points out in this special package of articles, we humans don't deal well with risk. We underestimate the chances

of catastrophic events until they happen; then, because the world is so connected, the setbacks are much harder to handle. NRG Energy chief David Crane, one of six experts interviewed here, notes that America hasn't approved a new nuclear plant in more than 30 years. That's a legacy of Three Mile Island, a "minor accident" (in the view of Intellectual Ventures founder Nathan Myhrvold, also heard from here) in which no one died. Coal power, through mining deaths and emissions, has been far more harmful, but less dramatically so. Hundreds of new coal plants have been built over the past 30 years. A settled assessment of Fukushima will take months or even years. An emerging consensus, by no means unanimous, suggests that nuclear power will move ahead; the world needs more energy and fewer greenhouse gases. Because billions of people rising out of poverty will be consuming more energy, and because the ways in which we produce that energy will carry consequences for the planet's future, the stakes in understanding Fukushima properly are extraordinarily high. The voices in the following pages can help.\*

\*if you need more detail, you can find this journal in FPO's library. Thx u.

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**Journal :** Journal of Law and Economics in International Trade

**Vol.2 No.2 July 2006**

**Chapter 1 :: Dealing with inequality in SACU**

SACU (Southern Africa Custom Union) is longest existing integration scheme in Africa. It can also be regarded as the most effective one. Although it has not been set up in the classical sense as a regional integration body, and despite various political changes, including independence of some of its members, SACU has survived. This is remarkable, keeping in mind the large difference in size and level of economic development between the giant South Africa on the one hand and small countries Botswana, Lesotho, Namibia and Swaziland on the other. Arguably the survival is due to its set-up that combined a high degree of unilateral governance by South Africa with a mechanism of compensation for BLNS. However, the dispensation of the 2002 SACU Agreement that came into force in 2004 replaces both the unilateralism and the compensatory arrangements to a high degree. SACU has moved a step in the direction of becoming a 'true' regional integration (RI) body. This sets the issue of balanced development in the centre of attention. All countries need to benefit and to perceive that they benefit for SACU to sustain itself. SACU needs to show a positive-sum outcome. A simple indicator for balance development is

convergence of per capita incomes. The success or otherwise of SACU will depend on its success in balancing the interests of all its members. In other words, SACU needs to deal with the high degree of inequality of its members. If the end result is polarized growth in favour of a hegemonic SA, SACU will fail.

## Chapter 2 :: The economics of the 2002 SACU agreement

Economic integration, especially in the African context, intends to enhance the welfare of the region by removing barriers to trade among participating nations and by co-operating within a group on tariff and trade policy. The goal is to create trading opportunities by extending domestic markets of participating members to a wider regional market and achieve greater economies of scale. There are varying degrees of integration ranging from informal trade arrangements to tightly regulated trade and economic regional treaties. The various forms of integration can range from a loose preferential trade arrangement to a more formal free-trade area arrangement. Some of the initiatives may include a customs union with a common external tariff (CEF) only on trade in goods, a common market inclusive of goods, persons and capital, or an economic union with a more formalized and harmonious arrangement on members' policies.

## Chapter 3 :: Trade remedies in the SACU

The International Trade Administration Act (ITAA) defines the objective of the ITAA as to foster economic growth and development in order to raise incomes and promote investment and employment in the

SACU by establishing an efficient and effective system for the administration of international trade, including trade remedies. Trade remedies are undertaken by ITAC in respect of the 5-member SACU in an effort to protect the member countries' domestic industries against unfair competition from the exporter. In the year 2000, two Free Trade Agreements (FTAs) that were negotiated and concluded by South Africa came into effect. The first was with the now 25-member European Union (EU). Which was acceded to on 1 January 2000, and the second with 11 of the 14 members of the Southern African Development Community (SADC) on 1 September 2000. Both these Agreements contain provisions for dealing with anti-dumping, countervailing and safeguard measures. In the Government Gazette of 31 January 2006 the government informed that a FTA the European Free Trade Area (EFTA) will enter into effect during the second quarter of this year. SACU initiated trade negotiations with the United State of America (USA) with the intention of concluding a FTA. The SACU is also presently involved in FTA trade negotiations with China, India, Nigeria, and with Brazil as part of the Mercosur trade bloc. In respect of Mercosur, the SACU has entered into a partial or a fixed preferences agreement.

#### Chapter 4 :: The New Southern Africa Custom Union

Regional integration amongst the countries of southern Africa has experienced a fundamental transformations I the post-apartheid period. The three most important regional institutions, SACU, SADC and COMESA have all changed their institutional structures and integrative ambitions in order to respond to rapidly changing regional and



international environments. However, the restructuring of regionalism in post-apartheid southern Africa has been dominated by one key issue: how best to incorporate and integrate a democratic, but dominant, Southern Africa. Individual regional institutions have, not unsurprisingly, with sheared efforts on reforming their own institutional structures and integrative strategies. Much less attention has been devoted to exploring the architectural framework of regionalism on the sub-continent. At present, the region has a multiplicity of regional institutions with remarkably similar integrative ambitions. The institutions overlap both geographically, with shared membership, and the structurally, with a shared desire to create, at the very minimum, custom unions. It is confused and complex picture.

\*if you need more detail, you can find this journal in FPO's library.  
Thx u.

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11 พฤษภาคม 2554

## **JOURNAL : CHULALONGKORN JOURNAL OF ECONOMIC**

**Volume 21 Number 2 August 2009**

**Code : 3 2505 00049124 1**

### **Contents 1 :: The Role of Social Comparison, Perceived Fairness and Reciprocity in Labor Contracts : An Experimental Study**

Three different treatments of Gift Exchange Games were conducted in order to investigate workers' reciprocal behavior. In the first random matching treatment, the reciprocal behavior was based on wages offered by previous employers. Since the matching was one shot, although the wage offered was fair and exceeded wage levels in the previous round, workers did not reciprocate. Workers were more reciprocal in the second fixed matching treatment. In this treatment, workers interacted with the same employer throughout the session. However, in the third treatment, when workers were exposed to market wages, the relative wage effect became more important than own or current wages in determining effort levels. But the overall relative wage effect depended on the implicit behavior of the workers; high effort workers and low effort workers perceived the relative wage differently. When current wages exceeded market wages, low effort workers reciprocated more than high effort workers and when the market wage exceeded own wage, high effort workers reduced effort levels more than low effort workers.

**By : Kean Siang, CH'NG**  
Universiti Sains Malaysia

### **Contents 2 :: An Empirical Study of the Effects of Services Infrastructure on Trade Efficiency and Growth in Myanmar**

This research attempts to investigate the existing levels of implementation of the General Agreement on Trade in Services (GATS) in Myanmar by examining the performance of three services sectors: transport, banking and telecommunications. The research questions include (i) what factors affect substantially the export and economic growth in response to service sectors liberalization? (ii) and investigating to what extent these factors contribute to the export and economic growth of Myanmar during the period 1990-2005 based on data availability. To achieve this, two types of model are used: the export supply equation and the growth model. The results from the export supply equation and growth model advocate that the efficiency in cargo-handling, transportation networks, capital formation /GDP ratio have significant impacts on Myanmar's exports among other service-openness factors. The amount of loans offered by private banks, and numbers of fixed and mobile telephone subscribers have minimal effects on both manufactured and aggregate exports, suggesting the need for substantial service trade liberalization to attract FDI inflows in service trade sectors through far-reaching policy initiatives which would intentionally create a more stable economic and political environment. In addition, the determinants of capita income growth in Myanmar are examined extensively applying the Barro and Sachs-Warner type growth model which incorporates financial and telecommunication performance variables in the model in support of dynamic efficiency gains obtained under the service-trade liberalization.

**By : Khin Maung Nyunt**



### Contents 3 :: The Value of Mangroves to an Off-Shore Fishery: The Case of Bandon Bay, Thailand

This paper models the impact of change in land-use of off-shore fishery production. A dynamic economic model is developed which examines the impact of mangrove reforestation on fish stock and offshore fisheries using nutrient status and biological productivity. The simulation results are illustrated using data from Bandon Bay, Thailand. The effects differ depending on regulations in the fishery sector. Under open-access conditions, an additional 1 km<sup>2</sup> of mangrove leads to an increase in fishery production, as well as total revenue and cost by almost 8% (equivalent to around 5 million baht/year or \$ 130,000/year). Under monopoly conditions, an additional 1 km<sup>2</sup> of mangrove results in an increases in fishery production by around 5%. The profit increases by 4.36 %, or around 1 million baht (\$25,000/year). The discounted profit over 50 years increases to approximately 20 million baht (\$615,000). The effects of the change in fishery regulation (open-access vs. monopoly) are also discussed. Changing regulatory regimes from open-access to monopoly increases the stock of fish in the area, from 7,226 tons to 10,230 tons. Net revenue increases to 20.2 million baht/year in long-run (almost \$580,000). Discounted profit over 50 years is calculated to be more than 504 million baht (\$14.4 million).

**By : Sittidaj Pongkijvorasin**

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นางสาวพัทธนันท์ ศรีแก้ว บรรณารักษ์ ฝ่ายเทคโนโลยีและบรรณสารสนเทศ

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**12 พฤษภาคม 2554**

## JOURNAL : The Econometrics Journal

Volume 14 Number 1 2011 Code 3 2505 00049056 5

### Contents 1 : A hierarchical factor analysis of U.S. housing market dynamics

This paper studies the linkages between housing and consumption in the United States taking into account regional variation. We estimate national and regional housing factors from a comprehensive set of U.S. price and quantity data available at mixed frequencies and over different time spans. Our housing factors pick up the common components in the data and are less affected by the idiosyncratic noise in individual series. This allows us to get more reliable estimates of the consumption effects of housing market shocks. We find that shocks at the national level have large cumulative effects on retail sales in all regions. Though the effects of regional shocks are smaller, they are also significant. We analyse the driving forces of housing market activity by means of factor-augmented vector autoregressions. Our results show that lowering mortgage rates has a larger effect than a similar reduction of the federal funds rate. Moreover, lower consumer confidence and stock prices can slow the recovery in the housing market.

By Emanuel Moench & Serena Ng

### Contents 2 : Short-term forecasts of euro area GDP growth

This paper evaluates models that exploit timely monthly releases to compute early estimates of current quarter GDP (now-casting) in the euro area. We compare traditional methods used at institutions with a new method proposed by Giannone et al. The method consists in bridging quarterly GDP with monthly data via a regression on factors extracted from a large panel of monthly series with different publication lags. We show that bridging via factors produces more accurate estimates than traditional bridge equations. We also show that survey data and other 'soft' information are valuable for now-casting.

By Elena Angelini, Gonzalo Camba-Mendez,  
Domenico Giannone, Lucrezia Reichlin & Gerhard Rünstler

### Contents 3 : Weak and strong cross-section dependence and estimation of large panels

This paper introduces the concepts of time-specific weak and strong cross-section dependence, and investigates how these notions are related to the concepts of weak, strong and semi-strong common factors, frequently used for modeling residual cross-section correlations in panel data models. It then focuses on the problems of

estimating slope of unobserved common factors. It is established that the common correlated effects (CCE) estimator introduced by Pesaran remains asymptotically normal under certain conditions on factor loadings of an infinite factors error structure, including cases where methods relying on principal components fail. The paper concludes with a set of Monte Carlo experiments where the small sample properties of estimators based on principal components and CCE estimators are investigated and compared under various assumptions on the nature of the unobserved common affects.

By Alexander Chudik, M. Hashem Pesaran  
& Elisa Toetti

#### Contents 4 : Quantile regression models with factor-augmented predictors and information criterion

For situations with a large number of series,  $N$ , each with  $T$  observations and each containing a certain amount of information for prediction of the variable of interest, we propose a new statistical modeling methodology that first estimates the common factors from a panel of data using principal component analysis and then employs the common factors in a standard quantile regression. A crucial step in the model-building process is the selection of a good model among many possible candidates. Taking into account the effect of estimated regressors, we develop an information-theoretic criterion. We also investigate the criterion when there is no estimated regressors. Results of Monte Carlo simulation demonstrate that the proposed criterion performs well in a wide range of situations.

By Tomohiro Ando & Ruey S. Tsay

#### Contents 5 : Testing for sphericity in a fixed effects panel data model

This paper proposes a test for the null of sphericity in a fixed effects panel data model. It uses the Random Matrix Theory based approach of Ledoit and Wolf to test for the null of sphericity of the error terms in a fixed effects panel model with a large number of cross-sectional units and time series observations. Because the errors are unobservable, the residuals from the fixed effects regression are used. The limiting distribution of the proposed test statistic is derived. In addition, its finite sample properties are examined using Monte Carlo simulations.

By Badi H. Baltagi, Qu Feng & Chihwa Kao

#### Contents 6 : The Hausman test in a Cliff and Ord panel model

This paper studies the random effects and the fixed effects models for spatial panel data. The model includes a Cliff and Ord type spatial lag of the dependent variable as well as a spatially lagged one-way error component structure, accounting for both heterogeneity and spatial correlation across units. We discuss instrumental variable estimation under both the fixed and the random effects specifications and propose a spatial Hausman test which compares these two models accounting for spatial autocorrelation in the disturbances. We derive the large sample properties of our

estimation procedures and show that the test statistic is asymptotically chi-square distributed. A small Monte Carlo study demonstrates that this test works well even in small panels.

By Jan Mutl & Michael Pfaffermayr

## Contents 7 : Fully modified narrow-band least squares estimation of weak fractional cointegration

We consider estimation of the cointegrating relation in the weak fractional cointegration model, where the strength of the cointegrating relation (difference in memory parameters) is less than one-half. A special case is the stationary fractional cointegration model, which has found important applications recently, especially in financial economics. Previous research on this model has considered a semi-parametric narrow-band least squares (NBLS) estimator in the frequency domain, but in the stationary case its asymptotic distribution has been derived only under a condition of non-coherence between regressors and errors at the zero frequency. We show that in the absence of this condition, the NBLS estimator is asymptotically biased, and also that the bias can be consistently estimated. Consequently, we introduce fully modified NBLS estimator which eliminates the bias, and indeed enjoys a faster rate of convergence than NBLS in general. We also show that local Whittle estimation of the integration order of the errors can be conducted consistently based on NBLS residuals, but the estimator has the same asymptotic distribution as if the errors were observed only under the condition of non-coherence. Furthermore, compared to much previous research, the development of the asymptotic distribution theory is based on a different spectral density representation, which is relevant for multivariate fractionally integrated processes, and the use of this representation is shown to result in lower asymptotic bias and variance of the narrow-band estimator. We present simulation evidence and a series of empirical illustrations to demonstrate the feasibility and empirical relevance of our methodology.

By Morten Ørregaard Nielsen & Per Frederiksen

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สำนักงานหอสมุดไทย ก้าวไกลสู่อาเซียน

## JOURNAL : The Economic Journal

Volume 121 Number 552

Code 3 2505 00049187 8

### Contents 1 : The Forgotten History of Domestic Debt

The literature on domestic debt default is sparse, as are the data. We compile a database on public debt that spans the nineteenth century to 2010. Our findings are as follows. First, domestic debt accounts for almost two-thirds of public debt. Second, the data help to explain the puzzle of why countries default on external debts at seemingly low debt thresholds. Third, domestic debt (which is often larger than the monetary base in the run-up to high inflation) has largely been ignored in the inflation literature. Last, the view that domestic residents are junior to external creditors does not find broad support.

By Cermen M. Reinhart & Kenneth S. Rogoff

### Contents 2 : The High Sensitivity of Economic Activity to Financial Frictions

A financial friction is a wedge between the return received by providers of financial capital - ultimately, consumers - and the cost of capital paid by businesses and consumers who use capital. I study two frictions. One raises the rental cost of capital to firms and the other raises the rental cost of housing and durable goods to consumers. My focus is on the effects of financial frictions - I take the magnitudes of the frictions as given. Thus, my results complement an active recent literature that explains the intensification of financial frictions in a crisis. I find that financial frictions are powerful determinants of economic activity.

By Robert E. Hall

### Contents 3 : Expectation Shocks and Learning as Drivers of the Business Cycle

Psychological factors, market sentiments and less-than-fully-rational shifts in beliefs are widely believed to play a role in the economy. Yet, they are rarely considered in macroeconomic models. This article evaluates the empirical role of expectational shocks on business cycle fluctuations and relaxes the rational expectations assumption to exploit survey data on expectations in the estimation of a New Keynesian model, which allows for learning by economic agents. Expectation shocks affect the formation of expectations and capture waves of optimism and pessimism that lead agents to form forecasts that deviate from those implied by their learning model.

By Fabio Milani

## Contents 4 : The Ins and Outs of UK Unemployment

This study shows that in the UK, increases in unemployment in a recession are driven by rises in the separation rate. A new decomposition of unemployment dynamics is devised that does not require unemployment to be in steady at all times. This is important because low UK transition rates – one quarter the size of the US – imply substantial deviation of unemployment from steady state near cyclical turning points. In periods of moderation, the job finding rate is shown to have most influence on UK unemployment dynamics. Evidence comes from the first study of monthly data derived from individuals' labour market spells recorded in the British Household Panel Survey from 1988 to 2008.

By Jennifer C. Smith

## Contents 5 : Public Safety through Private Action: an Economic Assessment of BIDS

Private actions to avoid and prevent criminal victimization and assist public law enforcement are vital inputs into the crime-control process. One form of private action, the business improvement district (BID), appears particularly promising. A BID is a non-profit organization created by property owners to provide local public goods, usually including public safety. Our analysis of 30 Los Angeles BIDs demonstrates that the social benefits of BID expenditures on security are a large multiple (about 20) of the private expenditures. Crime displacement appears minimal. Crime reduction in the BID areas has been accompanied by a reduction in arrests, suggesting further savings.

By Philip J. Cook & John Macdonald

## Contents 6 : The Crime Reducing Effect of Education

In this article, we study the crime reducing potential of education, presenting causal statistical estimates based upon a law that changed the compulsory school leaving age in England and Wales. We frame the analysis in a regression-discontinuity setting and uncover significant decreases in property crime from reductions in the proportion of people with no educational qualifications and increases in the age of leaving school that resulted from the change in the law. The findings show that improving education can yield significant social benefits and can be a key policy tool in the drive to reduce crime.

By Stephen Machin, Olivier Marie & Suncica Vujic



## Contents 7 : Does Regulation of Built-in Security Reduce Crime? Evidence from a Natural Experiment

We provide evidence that large-scale government intervention in the use of Self - protective measures lower crime. Since 1999, all new-built homes in the Netherlands have to have burglary-proof windows and doors. We find the regulatory change to have reduced burglary in new-built homes from 1.1 to 0.8% annually, a reduction of 26%. Even though the regulation of built-in security does not target preventative measures at homes that are most at risk, the social benefits of the regulation are likely to exceed the social costs.

By Ben Vollaard & Jan C. Van Ours

## Contents 8 : Broadband Infrastructure and Economic Growth

We estimate the effect of broadband infrastructure, which enables high-speed internet, on economic growth in the panel of OECD countries in 1996-2007. Our instrumental variable model derives its non-linear first stage from a logistic diffusion model where pre-existing voice telephony and cable TV networks predict maximum broadband penetration. We find that a 10 percentage point increase in broadband penetration raised annual per capita growth by 0.9-1.5 percentage points. Results are robust to country and year fixed effects and controlling for linear second-stage effects of our instruments predict broadband penetration but not diffusion of contemporaneous technologies like mobile telephony and computers.

By Nina Czernich, Oliver Falck, Tobias Kretschmer & Ludger Woessmann

## Contents 9 : House Prices and Credit Constraints : Making Sense of the US Experience

Most US house price models break down in the mid-2000s, due to the omission of exogenous changes in mortgage credit supply (associated with the sub-prime mortgage boom) from house price-to-rent ratio and inverted housing demand models. Previous models lack data on credit constraints facing first-time home-buyers. Incorporating a measure of credit conditions - the cyclically adjusted loan-to-value ratio for first-time buyers - into house price-to-rent ratio models yields stable long-run relationships, more precisely estimated effects, reasonable speeds of adjustment and improved model fits.

By John V. Duca, John Muellbauer & Anthony Murphy

## Contents 10 : Advertising for Attention in a Consumer Search Model

We model the idea that when consumers search for products, they first visit the firm whose advertising is most salient. The gains a firm derives from being visited early increase in search costs, so equilibrium advertising increases as search costs rise. As a result, higher search costs may decrease both consumer welfare and firm profits. We extend the basic model by allowing for firm heterogeneity in advertising costs. Firms that raise attention more easily advertise more but also charge lower prices and obtain higher profits. As advertising cost asymmetries cost asymmetries increase, consumer surplus falls and aggregate profits rise.

By Marco A. Haan & Jose L. Moraga-Gonzalez

## Contents 11 : Imperfect Competition and Efficiency in Lemons Markets

This article studies the impact of competition on the degree of inefficiency in lemons markets. More precisely, we characterize the second-best mechanism (i.e. the optimal mechanism with private information) in a stylised lemons market with finite numbers of buyers and sellers. We then study the relationship between the degree of efficiency of the second-best mechanism and market competitiveness. A general message of our results is that increasing competition may not help lemons markets in some circumstances. Moreover, increasing competition may not help lemons markets in some circumstances. Moreover, increasing competition beyond a certain degree increases the distance between the first-best and second-best levels of efficiency.

By Abhinay Muthoo & Suresh Mutuswami

## Contents 12 : The Effect of Pensions on Longevity : Evidence from Union Army Veterans

This study uses changes in pension laws for Union Army veterans as a natural experiment to estimate the causal effect of pensions on longevity, and to examine potential pathways underlying such a relationship. I examine the effects of the pension laws of 1907 and 1912, which granted old-age pensions to Union Army veterans. Veteran pensions reduced age-adjusted mortality by 11.5% for law of 1907 pensions and by 29.6% for law of 1912 pensions. Pensions reduced mortality for both acute and non-acute causes of death but reductions in mortality were strongest for mortality from infectious diseases.

By Martin Salm

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กรกฎาคม ๒๕๕๔

## JOURNAL : THE ECONOMIC JOURNAL

Volume 121 Number 553 Code 3 2505 000492181

### Contents 1 : ONE DOLLAR, ONE VOTE

By Loukas Karabarbounis

This article revisits the relationship between inequality and redistribution in a panel of advanced OECD countries. Using panel data methods that hold constant a variety of determinants of redistributive spending, I find a non-monotonic relationship between pre-tax-and-transfer distribution of income and redistribution. Relative to mean income, a more affluent rich and middle class are associated with less redistribution and a richer poor class is associated with more redistribution. These results are consistent with a one dollar, one vote politico-economic equilibrium : when the income of a group of citizens increases, aggregate redistributive policies tilt towards this group's most preferred policies.

### Contents 2 : THE OLYMPIC EFFECT

By Andrew K. Rose and Mark M. Spiegel

Why should countries offer to host costly 'mega-events' such as the Olympic Games? We show that hosting a mega-event increases exports. This effect is statistically robust, permanent and large ; trade is over 20% higher for host countries. Interestingly, unsuccessful bids to host the Olympics have a similar impact on exports. We conclude that the Olympic effect on trade is attributable to the signal a country sends when bidding to host the games, rather than the act of actually holding a mega-event. We develop an appropriate formal model and derive conditions under which liberalizing countries will signal through a mega-event bid.

### Contents 3 : FINANCIAL INTEGRATION AND CONSUMPTION SMOOTHING

By Tullio Jappelli and Luigi Pistaferri

We test if financial integration improves household consumption smoothing using microeconomic data. We find that the process of financial market integration and liberalisation brought about by the introduction of the euro has not affected the sensitivity of consumption with respect to income shocks in Italy. This article also makes a significant contribution from a methodological point of view, because our procedure does not require that consumption and income are available in the same panel data set. It can therefore be applied in all countries in which repeated cross-sectional consumption data can be combined with panel data on income.

### Contents 4 : THE MYTH OF FINANCIAL INNOVATION AND THE GREAT MODERATION

By Wouter J. Den Haan and Vincent Sterk

Financial innovation is widely believed to be at least partly responsible for the recent financial crisis. At the same time, there are empirical and theoretical arguments that support the view that changes in financial markets, in particular, innovations in consumer credit and home mortgages, played a role in the great moderation. The article questions empirical evidence supporting this view. Especially the behavior of aggregate home mortgages changed less during the great moderation than is typically believed. A remarkable change we do find is that monetary tightenings become episodes during which financial institutions other than banks increased their mortgages holdings.

## **Contents 5 : REGULATORY RISK UNDER OPTIMAL MONOPOLY REGULATION**

**By Roland Strausz**

I develop a tractable framework to study regulatory risk under optimal monopoly regulation. It captures increasing regulatory risk as mean-preserving spreads of two regulatory variable: weights attached to profits and costs of public funds. The regulator's reaction to regulatory risk depends on the curvature of demand. For convex (concave) demand, it yields a positive (negative) information rent effect that benefits (hurts) the firm. Consumers dislike a positive information rent effect but their risk preferences also depend on their tendency to dislike fluctuations in consumption. Risk preference of benevolent regulators may contradict both those of the firm and consumers.

## **Contents 6 : INFORMATION CASCADES AND REVOLUTIONARY REGIME TRANSITIONS**

**By Christopher J. Ellis and John Sender**

We combine Acemoglu and Robinson's model of the economic origins of democracy with Lohmann's model of political mass protest. This allows us to analyse the economic causes of political regime change based on the microfoundations of revolution. We are able to derive conditions under which democracy arises peacefully, when it occurs only after a revolution and when oligarchy persists. We model these possibilities in a world of asymmetric information, where information cascades are possible, and where these cascades may involve errors in the sense that they make everyone worse off.

## **Contents 7 : UNIONISATION TRIGGERS TAX INCENTIVES TO ATTRACT FOREIGN DIRECT INVESTMENT**

**By Andreas Haufler and Ferdinand Mittermaier**

This article analyses tax competition between a unionized and a non-unionized country for the location of an outside firm. We show that unionization increases the incentive for the government to attract a foreign investor, in order to affect the behavior of the domestic union. This results in the unionized country's government offering a tax discount (or a subsidy premium) to the outside firm in excess of what is needed to compensate the investor for the higher union wage. In equilibrium, therefore, the unionized country attracts the foreign investment, even if it has no other location advantages.

## **Contents 8 : A MODEL OF PUBLIC CONSULTATION : WHY IS BINARY COMMUNICATION SO COMMON?**

**By Kohei Kawamura**

This article studies information transmission between multiple agents with heterogeneous preferences and a welfare maximizing decision maker who chooses the quality or quantity of a public good (e.g. size of a public project; pace of lectures in a classroom; government regulation) that is consumed by all of them. As the number of agents becomes larger, the quality of information transmission diminishes. The use of binary messages (e.g. 'yes or no') is shown to be a robust mode of communication even when the preferences and policy space are non-binary.

## **Contents 9 : CLASSIFICATION, DETECTION AND CONSEQUENCES OF DATA ERROR: EVIDENCE FROM THE HUMAN DEVELOPMENT INDEX**

**By Hendrik wolff, Howard Chong and Maximilian Auffhammer**

We measure and examine data error in health, education and income statistics used to construct the Human Development Index. We identify three sources of data error which are due to data updating; formula revisions; and thresholds to classify a country's specific measures of data uncertainty and investigate how data error biases rank assignments. We find that up to 34% of countries are misclassified and, by replicating prior studies, we show that key estimated parameters vary by up to 100% due to data error.

## Contents 10 : ARE CHILDREN DECISION-MAKERS WITHIN THE HOUSEHOLD?

By Anyck Dauphin, Abdel-Rahmen El Lahga, Bernard Fortin and Guy Lacroix

This article seeks to determine whether children aged 16 and over and who are living with their parents influence the household decision-making process. Assuming collective rationality within the household, we show how a minimal number of decision-makers can be inferred from the parametric constraints of the collective model. Using UK Family Expenditure Surveys, we find the data to be consistent with the children being decision-makers. When stratifying the sample by age and by gender, our results indicate that both children aged between 16 and 21 and daughters, irrespective of their age; are decision-makers. Results for sons and children age 22 and over are less conclusive. Finally, the collective model is never rejected.

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จัดทำโดย

นางสาววรรณ คักการตัน หัวหน้าฝ่ายเทคโนโลยีและบรรณสารสนเทศ โทร. 3588

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คลิกที่  แนะนำบทความวิชาการน่าสนใจ และหนังสือหายากอิเล็กทรอนิกส์ **e-Book**

July/5 /2011<sup>4</sup>

## JOURNAL : Chulalongkorn Journal of Economics

Volume 19 Number 2 August 2007 Code 3 2505 00039589 7

### Contents 1 : The Economic Impact of Public Rice Research in Thailand

This study provides a measure of the current state of technical knowledge determined in part by current and past public investment in rice research. With respect to the technical knowledge, rice production function is estimated. The result reveals that the improvement of technical knowledge enhances the land productivity and also leads to the changes in rice production structure. Since rice planted areas are expanded along with the employment of agricultural manual workers, the cost is no doubt increased. The public rice research represents a crucial driving force for encouraging the growth of production. Further, the social welfare deriving from public investment in rice research is estimated by using Marshallian concept. The result reveals that the cumulative economic surplus is quite high. As a consequence, the B/C ratio implies that those investments generate a benefit of 6.92, 6.25 and 5.68 Baht spent by 5, 10 and 15% discount rate, respectively.

By Jirawat Jareonsathapornkul

### Contents 2 : Can Equality and Growth Be Simultaneously Achieved?

This paper attempts to examine whether equal income distribution and steady economic growth can be achieved at the same time. Unlike previous studies that investigated either direct or reverse relationships between income inequality and per capita GDP growth independently of one another, this paper combines two links together and tries to explain any causal relationships between them. Using a cross-country dataset, it finds that income distribution and economic growth are not only directly correlated, but they also indirectly interact with each other simultaneously through other economic, political, and social factors such as education, health, investment, credit market, fiscal policies, and cultural diversity. Through these underlying factors, the possible trade-offs between improving income distribution and good economic performance might occur. This paper suggests that in order to reach an economy where the distribution of income is more equal and economic growth is enhanced, policymakers should improve the quality of schooling, provide public access to health services, facilitate access to credit market, and rely more on direct taxation.

By Sawarei Boonyamanond



## Contents 3 : Does Financial Development and Inflation Spur Economic Growth in Thailand?

The paper empirically examines the short- and long-run dynamics between financial development, inflation and economic growth during the post-1997 financial crisis in Thailand using battery of time series techniques. Based on the ARDL [2, 2, 0, 0], the study document a long-run equilibrium between finance depth, inflation and growth. Granger causality tests based on the VECM further reveals that there is a bidirectional causality between finance-growth in Thailand, the finding accords with "the feedback hypothesis" or "bidirectional causality view". Based on the VDCs and IRFs, the study discover that the variations in the economic growth rely very much on its own innovations in the economic growth rely very much on its own innovations. To promote growth in the country, priority should be given for long run policies, i.e., the enhancement of existing financial institutions both in the banking sector and stock market and the preservation of low rate of inflation.

By M.Shabri Abd. Majid


จัดทำโดย

นางสาวพัทธนันท์ ศรีแก้ว บรรณารักษ์ ฝ่ายเทคโนโลยีและบรรณสารสนเทศ

ที่ปรึกษา

นางสาววรรณ ศักดารัตน์ หัวหน้าฝ่ายเทคโนโลยีและบรรณสารสนเทศ โทร. ๓๕๘๘

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คลิกที่  แนะนำบทความวิชาการน่าสนใจ และหนังสือหายากอิเล็กทรอนิกส์ e-Book

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## JOURNAL : NATIONAL TAX JOURNAL

Volume 64, No. 1 March, 2011 Code 3 2505 00049228 0

### Contents 1 : DO CAPS ON INCREASES IN ASSESSED VALUES CREATE A LOCK-IN EFFECT? EVIDENCE FROM FLORIDA'S AMENDMENT ONE

The property tax savings provided by assessment caps are generally lost when homeowners move. There is, therefore, a concern that homeowners get "locked-in" to their current home. Using data from Florida, the results presented in this paper show that the lock-in effect is nontrivial in magnitude, especially for homeowners in single-family homes (in comparison to condominiums) and those located in jurisdictions with relatively low property tax rates.

By Keith R. Ihlanfeldt

### Contents 2 : DEFERRED TAX POSITIONS AND INCENTIVES FOR CORPORATE BEHAVIOR AROUND CORPORATE TAX CHANGES

A firm's deferred tax position can influence how it is affected by a transition from one tax regime to another. We compile disaggregated deferred tax position data for a sample of large U.S. firms between 1993 and 2004 to explore how these positions might affect firm behavior before and after a pre-announced change in the statutory corporate tax rate. Our results suggest that the heterogeneous deferred tax positions of large U.S. corporations create substantial variation in the short-run effects of tax rate changes on reported earnings. Recognizing these divergent incentives is important for understanding the political economy of corporate tax reform.

By James M. Poterba, Nirupama S. Rao, Jeri K. Seidman

### **Contents 3 : ON ESTIMATING MARGINAL TAX RATES FOR U.S. STATES**

This paper presents a procedure for generating state-specific time-varying estimates of marginal tax rates (MTRs). Most estimates of MTRs follow a procedure developed by Koester and Kormendi (1989) (K&K). Unfortunately, the time-invariant nature of the K&K estimates precludes their use as explanatory variables in panel data studies with fixed effects. Furthermore, the associated MTR estimates are not explicitly linked to statutory tax parameters. Our approach addresses both shortcomings. Using comprehensive tax policy data, we estimate state-specific, time-varying MTRs for all 50 states over the years 1977-2004. The inclusion of statutory tax variables has a significant impact on MTR estimates.

**By W. Robert Reed, Cynthia L Rogers, Mark Skidmore**

### **Contents 4 : THE EFFECTS OF PREFERENTIAL VAT RATES NEAR INTERNATIONAL BORDERS: EVIDENCE FROM MEXICO**

Most goods and services in Mexico are subject to a 16 percent value added tax (VAT). However, within 20 kilometers of the border with the United States, the VAT rate is 11 percent. This preferential rate was implemented by the Mexican Department of Revenue to reduce cross-border shopping in the United States. However, the tax differential also creates an unusual distortion within Mexico, encouraging Mexicans to travel to the preferential tax zone for shopping. This paper performs an empirical test of tax avoidance using the Mexican Economic Census, comparing towns on either side of the 20 kilometer threshold using a regression discontinuity design. The analysis provides evidence of a modest but statistically significant distortion in economic activity toward the preferential tax zone.

**By Lucas W. Davis**

## **Contents 5 : TAX PLANNING BY MUTUAL FUNDS: EVIDENCE FROM CHANGES IN THE CAPITAL GAINS TAX RATE**

We investigate whether mutual funds engage in tax planning by testing how they respond to changes in the capital gains tax rates. While previous evidence suggests that individual investors time capital gains realizations, mutual fund managers may not tax plan like individuals because fund managers have incentives to consider the tax liability of both current and potential investors. Our analysis spans over 44 years and six major tax changes, allowing us to examine the effects of both tax rate increases and decreases. Overall, we find evidence consistent with tax planning by managers of both open-end and closed-end mutual funds.

**By** Feng Chen, Arthur Kraft, Ira Weiss

## **Contents 6 : INCREASING CHOICE IN THE MARKET FOR SCHOOLS: RECENT REFORMS AND THEIR EFFECTS ON STUDENT ACHIEVEMENT**

Increased parental school choice has become a popular education reform strategy, but evidence of its effectiveness in improving student achievement is mixed. In this paper, we examine the rationale for school choice, obstacles to fulfilling its theoretical promise, and results observed to date. We supplement our discussion with data from a survey of Milwaukee principals. Survey findings suggest that school leaders feel competitive pressures from certain types of schools but tend to respond by improving their marketing efforts rather than their educational programs.

**By** Susanna Loeb, Jon Valant, Matt Kasman

## Contents 7 : TEACHER COMPENSATION SYSTEMS IN THE UNITED STATES K-12 PUBLIC SCHOOL SYSTEM

This paper provides a review of the current teacher compensation system and examines the structure of teacher compensation in the U.S. K-12 public education system. Teacher salaries are largely set by schedules that are neither performance- related nor market-driven, and have significant consequences on school staffing and workforce quality. The second section summarizes the recent literature on compensation reform, with an emphasis on studies using experimental or quasi-experimental designs to evaluate the impact of programs on student achievement and teacher outcomes. A final section offers observations on prospects for future research and reforms.

By Michael Podgursky, Matthew Springer

## Contents 8 : THE IMPACT OF FACILITIES ON THE COST OF EDUCATION

This paper uses new data on school district capital stocks, stochastic frontier analysis, and a value-added measure of school quality to provide the first direct evaluation of the relationship between school facilities and school district costs. We find that the cost of education increases as the capital stock increases, suggesting either that school districts are grossly overcapitalized or that nicer facilities reflect an important, unmeasured dimension of school quality. We also find that cost function estimates for Texas are largely insensitive to the exclusion of the capital stock measures, suggesting that stochastic frontier cost function estimates without a capital stock measure are unlikely to be biased.

By Timothy J. Gronberg, Dennis W. Jansen, Lori L. Taylor

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## JOURNAL : NATIONAL TAX JOURNAL

Volume 64 No. 2 June 2011 Code 3 2505 00049219 9

### CONTENTS 1 : STRATEGIC CONSOLIDATION UNDER FORMULA APPORTIONMENT

This paper argues that profit-shifting activities exist for multi-jurisdictional enterprises (MJE) under a tax system of consolidation and formula apportionment (FA). A theoretical model discusses how a MJE can exploit strategically its impact on the definition of the consolidated group. The analysis shows that the MJE will not consolidate if intra-group tax-rate differences — and thereby potential gains from profit shifting — are large. We test this prediction using confidential firm-level tax-return data for the local business tax in Germany. The identification strategy exploits a quasi-experiment derived from a major company tax reform in 2001 that significantly reduced the costs associated with separating out individual affiliates. Our results show that, evaluated at the sample mean, an increase in the tax-rate variance among a MJE's affiliates by one standard deviation reduces the number of consolidated affiliates by 20 percent.

By Thiess Buettner, Nadine Riedel and Marco Runkel



## **CONTENTS 2 : MILLIONAIRE MIGRATION AND STATE TAXATION OF TOP INCOMES: EVIDENCE FROM A NATURAL EXPERIMENT**

This paper examines the migration response to a millionaire tax in New Jersey, which raised its income tax rate on top earners by 2.6 percentage points to 8.97 percent, one of the highest tax rates in the country. Drawing on unique state tax micro-data, we estimate the migration response of millionaires to the rate increase, using a difference-in-differences estimation strategy. The results indicate little responsiveness, with semi-elasticities generally below 0.1. Tax-induced migration is estimated to be higher among people of retirement age, people living on investment income rather than wages, and people who work (and pay tax) entirely in-state. The tax is estimated to raise \$1 billion per year and modestly reduce income inequality.

By Cristobal Young and Charles Varner

## **CONTENTS 3 : STRUCTURAL CHANGE IN THE RESEARCH AND EXPERIMENTATION TAX CREDIT: SUCCESS OR FAILURE?**

This study examines the availability and incentive effects of the Research and Experimentation tax credit following structural changes in the computation of the credit enacted in the Omnibus Budget Reconciliation Act of 1989 (OBRA89). We find that overall firm eligibility declined after OBRA89, but eligibility increased for firms in high-tech industries, relative to firms in other industries. Dynamic panel regressions

indicate that median research and development spending intensity of high-tech (other) firms increased by approximately 15.9 (9.4) percent from 1986-1989 to 1990-1994. For firms that qualified for the credit, our estimates imply approximately \$2.08 of additional research and development spending per dollar of revenue forgone.

By Sanjay Gupta, Yuhchang Hwang and Andrew P. Schmidt

## **CONTENTS 4 : THE EFFECT OF TAXES ON TAXABLE EARNINGS: EVIDENCE FROM THE 2001 AND RELATED U.S. FEDERAL TAX ACTS**

This study measures the elasticity of taxable earnings to the marginal tax price, identified by a marriage penalty relief provision contained in the Economic Growth and Tax Relief Reconciliation Act of 2001. The change in joint taxable earnings in response to the provision implies a joint elasticity ranging from 0.217 to 0.304. The joint response is driven by the taxable wage earnings of males, and does not reflect a shift in income from tax-deferred to taxable compensation, but an increase in total wage earnings.

By Perry Singleton

## **CONTENTS 5 : (UNCONTROLLED) AGGREGATE SHOCKS OR VERTICAL TAX INTERDEPENDENCE? EVIDENCE FROM GASOLINE AND CIGARETTES**

Besley and Rosen (1998) were the first researchers to test empirically for the presence of vertical tax externalities, examining the case of unit taxes on gasoline and tobacco.

However, they did not take into account the price differences across states that arise because high cost areas pay less in real terms than low cost areas, since federal unit sales taxes on cigarettes and gasoline do not differ across states.

Consequently, we propose that vertical tax competition can be estimated by using a federal tax variable that is expressed in real terms and thus shows cross-sectional variation across states. To estimate real prices we deflate all financial variables using the House Price Index (HPI), which is disaggregated by states. This empirical strategy enables us to disentangle the vertical interdependence between state and federal tax rates from aggregate shocks over time. We use U.S. data from 1975-2006 on gasoline and tobacco taxes, and find significant horizontal tax competition, but no vertical tax reactions. The results are robust to the period analyzed.

By Alejandro Esteller-Moré and Leonzio Rizzo

## **CONTENTS 6 : SOCIAL SECURITY RECONSIDERED**

Social Security is currently much in the news because it faces a projected funding gap, because of overall budget deficits, and because of doubts in some quarters about its design. Minor adjustments are sufficient to close the funding gap. Benefit cuts, even if considered desirable, would not help close the overall budget gap in a timely way. Some adjustments in Social Security benefits and financing are desirable, but large scale changes would be disruptive and would not well serve the program's basic purposes — to provide assured, basic income to retirees, the disabled, and survivors — unless they more or less replicated the current program.

By Henry J. Aaron

## **CONTENTS 7 : FIXING SOCIAL SECURITY – WHAT WOULD BISMARCK DO?**

Social Security needs to be fundamentally reformed without undermining its legitimate mission – forcing people to save and insure and providing forms of social insurance that the private market would either not provide or provide poorly. Although the system has done great good, it is incomprehensible, inefficient, inequitable, and, most important, insolvent. This paper lays out a simple, modern version of Social Security that Bismarck would surely support. My proposed Personal Security System is fully funded, transparent, efficient, fair, and progressive. It features personal accounts that are collectively invested by the government (not Wall Street) at zero cost to workers.

**By Laurence J. Kotlikoff**

## **CONTENTS 8 : HOW WELL ARE SOCIAL SECURITY RECIPIENTS PROTECTED FROM INFLATION?**

Social Security is widely believed to protect its recipients from inflation because benefits are indexed to the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W). However, the CPI-W may not accurately reflect the experience of retirees for two reasons. First, retirees generally have higher medical expenses than workers, and medical costs, in recent years, have tended to rise faster than the prices of other goods. Second, even if medical costs did not rise faster than the prices of other goods, as retirees aged, their medical spending would still tend to increase as a share of income; that is, each cohort of retirees would still

see a decline in the real income available for non-medical spending. We show that, for in the 1918 birth cohort, Social Security benefits net of average out-of-pocket medical expenses have declined relative to a price index for non-medical goods by around 20 percent for men, and by around 27 percent for women. We explore alternative options for indexing Social Security benefits and discuss the impact of these alternatives on Social Security's long-term finances.

**By Gopi Shah Goda, John B. Shoven and Sita Nataraj Slavov**

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# แนะนำบทความวิชาการน่าสนใจ



มูลนิธิวิชาการ บริหารกับสมัย  
ผลักดันเศรษฐกิจไทย ก้าวไกลอย่างยั่งยืน

ศูนย์บริหารงานวิจัยและบรรณสารสนเทศ

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## **JOURNAL : NATIONAL TAX JOURNAL** **Volume 64, No. 2, Part 2 June 2011** **Code 3 2505 00049220 7**

### **CONTENTS 1 : INTRODUCTION: ECONOMIC ANALYSIS OF TAX EXPENDITURES**

Many economists and policy analysts argue that broadening the tax base is one of the most efficient ways to raise income tax revenues. Current tax deductions, credits, and exclusions, which are collectively known as "tax expenditures," reduce tax revenues and create complicated incentives that affect the ways taxpayers earn and spend their incomes. Because these tax provisions distort behavior relative to a neutral tax code, it is possible that eliminating some or all of them could simultaneously raise revenue and reduce tax-induced distortions of economic activity. Sweeping changes in tax expenditures have been recommended in several recent high profile reform proposals. The papers in this special issue of the National Tax Journal examine the revenue effects of, the distribution of benefits from, and the efficiency costs of current tax expenditures. These papers will be a valuable input for the analysis of potential reforms, and will help to identify unresolved issues that deserve further research attention.

By James M. Poterba

### **CONTENTS 2 : RECONSIDERING TAX EXPENDITURE ESTIMATION**

We examine the measurement of tax expenditures, as well as review issues concerning the classification of tax expenditures generally. We use calculations from the Tax Policy Center's microsimulation tax model to illustrate some of the problems with the current methodology for estimating tax expenditures. Unlike



most previous work on the topic, we focus on how features of the current tax system including the alternative minimum tax and sunset rules complicate and compromise the value of information provided by the tax expenditure budget. We also present alternative measures of tax expenditures to improve the quality of information regarding the federal tax system.

By Rosanne Altshuler and Robert Dietz

### **CONTENTS 3 : INCOME VERSUS CONSUMPTION TAX BASELINES FOR TAX EXPENDITURES**

This paper explores the implications of evaluating income tax preferences, or tax expenditures, under a consumption tax baseline. More specifically, it examines the conceptual differences between income and consumption tax baselines, and employs an X-tax prototype of a consumption tax to gauge the sensitivity of estimates to the two baselines. The tax expenditure estimates for capital income preferences are vastly different under the two regimes.

By Robert Carroll, David Joulfaian and James Mackie

### **CONTENTS 4 : THE TAX EXCLUSION FOR EMPLOYER-SPONSORED HEALTH INSURANCE**

This paper reviews the issues raised by and the impacts of the tax exclusion for employer-sponsored health insurance. After reviewing the arguments for and against this policy, I present evidence from a micro-simulation model on the impacts on federal revenue, insurance coverage, and income distribution of various reforms to the exclusion.

By Jonathan Gruber

## **CONTENTS 5 : REVENUE COSTS AND INCENTIVE EFFECTS OF THE MORTGAGE INTEREST DEDUCTION FOR OWNER-OCCUPIED HOUSING**

We analyze how changes in the income tax deduction for home mortgage interest would affect loan-to-value ratios on owner-occupied homes, the distribution of income tax liabilities, and the consumption of housing services. Using the 2004 Survey of Consumer Finances, we estimate that repealing the mortgage interest deduction in 2003 would have raised federal and state income tax revenues by \$72.4 billion in the absence of any household portfolio adjustments, but by only \$58.5 billion if homeowners drew down financial assets to pay down their mortgage debt.

By James M. Poterba and Todd Sinai

## **CONTENTS 6 : ASSESSING THE FEDERAL DEDUCTION FOR STATE AND LOCAL TAX PAYMENTS**

This paper examines the distributional and behavioral impacts of ending the deductibility of state and local taxes against the federal individual income tax. I carry out a number of distributional analyses — considering both variation across income and across states — of the subsidy from deductibility as well as the distributional impact of potential partial reforms. I also consider how behavioral responses affect the distributional analysis. Using a large panel of data on state and local governments, I find that deductibility increases reliance on deductible taxes and increases state and local spending out of own-source revenue.

By Gilbert E. Metcalf

## **CONTENTS 7 : PORTFOLIO SUBSTITUTION AND THE REVENUE COST OF THE FEDERAL INCOME TAX EXEMPTION FOR STATE AND LOCAL GOVERNMENT BONDS**

This paper illustrates how different assumptions about household portfolio behavior influence estimates of the amount of individual income tax revenue that would be collected if the interest tax exemption for state and local government bonds were repealed or curtailed. Using data from the 2004 Survey of Consumer Finances, we estimate that federal income tax revenues would rise by \$14.0 billion if current bondholders purchased taxable bonds, \$8.9 billion if corporate stock replaced tax-exempt bonds in household portfolios, and \$8.2 billion if they distributed their tax-exempt bond holdings across their other portfolio assets in proportion to their current portfolio shares.

By James M. Poterba and Arturo Ramírez Verdugo

## **CONTENTS 8 : HOW DOES CHARITABLE GIVING RESPOND TO INCENTIVES AND INCOME? NEW ESTIMATES FROM PANEL DATA**

We estimate the elasticity of charitable giving with respect to persistent and transitory price and income changes using a 1979–2006 panel of tax returns. Our estimation procedure allows for anticipation of and gradual adjustment to tax changes, controls for various potential sources of omitted variable bias via fixed effects and income-class specific year dummies, and allows for a flexible non-linear relationship between income and charitable giving. Our most convincing estimates are identified by differences in the time-paths of tax incentives across states, and suggest a persistent price elasticity in excess of one in absolute value.

By Jon Bakija and Bradley T. Heim

## **CONTENTS 9 : TAX EXPENDITURES FOR NONCASH CHARITABLE CONTRIBUTIONS**

This paper examines the itemized deduction for donations of property to charitable organizations, its benefits to charitable organizations and their beneficiaries, and the associated tax expenditures. In 2005, taxpayers deducted \$48 billion in noncash donations, resulting in a tax expenditure of \$9 billion. High-income taxpayers primarily donated stock and other appreciated property, thereby also avoiding the capital gains tax liability due on appreciation of the assets had they been sold, while middle-income taxpayers primarily donated used clothing and household items. We focus on donations of vehicles using tax and online vehicle auction data. Taxpayer valuations are compared with auction prices of vehicles of the same make, model, and year. The results imply that either taxpayers are overstating the likely value of their vehicle or donating vehicles of higher average quality than those sold in online auctions. Donations of vehicles and vehicle valuations declined substantially after tax reforms were enacted in 2004.

**By Deena Ackerman and Gerald Auten**

## **CONTENTS 10 : REDISTRIBUTION AND TAX EXPENDITURES: THE EARNED INCOME TAX CREDIT**

This paper examines the distributional and behavioral effects of the Earned Income Tax Credit (EITC). We chart the growth of the program over time, and argue that several expansions show that real responses to taxes are important. We use tax data to show the distribution of benefits by income and family size, and examine the impacts of hypothetical reforms to the credit. Finally, we calculate the efficiency effects of marginal changes to EITC parameters.

**By Nada Eissa and Hilary Hoynes**

## CONTENTS 11 : U.S. DEFENSE CONTRACTS DURING THE TAX EXPENDITURE BATTLES OF THE 1980s

This paper considers the impact of the tax treatment of military contractors on the cost and timing of U.S. military procurement. Prior to the early 1980s, taxpayers were permitted to defer tax obligations on profits earned from long-term contracts. Legislation passed in 1982, 1986, and 1987 required that at least 70 percent of the profits earned on long-term contracts be taxed as accrued, thereby significantly reducing the tax benefits associated with long term contracting. Comparing contracts that were ineligible for these tax benefits with those that were eligible, it appears that between 1981–1989 the duration of U.S. Department of Defense contracts shortened by an average of between one and two months, or somewhere between 10 and 23 percent of average contract length. This pattern implies that the tax benefits associated with long term contracts promoted artificial contract lengthening in the 1980s, and suggests that the Department of Defense ignores the federal income tax consequences of its procurement actions, thereby indirectly rewarding contractors who benefit from tax expenditures.

By Susan J. Guthrie and James R. Hines Jr.

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**JOURNAL : THE ECONOMIC JOURNAL**

**Volume 121, No. 554 AUGUST 2011 Code 3 2505 00046650 8**

## **CONTENTS 1 : *Spending on Children: Direct Survey Evidence***

*We present estimates of spending on children from a Danish expenditure survey which asks respondents directly about allocations of expenditures to individual household members. Our main finding is that the average Danish family allocates 44% of total assignable spending on non-food non-durables and services to children. There is considerable variation across households. More is spent on older children and expenditure on children is an increasing concave function of the number of 'equivalent' children. We find that households in which the mother has had a child by a previous partner spend 24% less on children than otherwise similar households.*

*By Jens Bonke and Martin Browning*

## **CONTENTS 2 : *On Income and Wealth Taxation in A Life-Cycle Model with Extensive Labour Supply***

*In a stationary life-cycle model with extensive labour supply, two forms of taxation are studied: non-linear income taxation and linear wealth taxation. In the life-cycle model, the social weights of the dynasties depend on their permanent incomes, not on the observed taxable current income. A tax on wealth then can complement income tax as a redistributive tool. The derivative of social welfare with respect to the wealth tax rate at the no-tax point is computed. It is positive whenever permanent income is positively correlated with aggregate life time savings. This result is illustrated on a numerical example.*

*By Guy Laroque*



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### CONTENTS 3 : *Mortality, The Family and The Indian Ocean Tsunami*

*Over 130,000 people died in the 2004 Indian Ocean tsunami. The correlates of survival are examined using data from the Study of the Tsunami Aftermath and Recovery (STAR), a population-representative survey collected in Aceh and North Sumatra, Indonesia, before and after the tsunami. Children, older adults and females were the least likely to survive. Whereas socio-economic factors mattered relatively little, the evidence is consistent with physical strength playing a role. Pre-tsunami household composition is predictive of survival and suggests that stronger members sought to help weaker members: men helped their wives, parents and children, while women helped their children.*

*By Elizabeth Frankenberg, Thomas Gillespie, Samuel Preston, Bondan Sikoki and Duncan Thomas*

### CONTENTS 4 : *The Long Reach of Childhood Health and Circumstance: Evidence from the Whitehall II Study*

*We use data from the Whitehall II Study to examine the joint evolution of health status and economic status over the life course. We study the links between health and socioeconomic status in childhood and health and employment status at older ages. We find early life socioeconomic status is significantly associated with health over the life course, even though selection into Whitehall mutes the effects of childhood. In addition, we find that current position in the Civil Service is not associated with future self-assessed health, but current self-assessed health is significantly associated with promotion in the Civil Service.*

*By Anne Case and Christina Paxson*

### CONTENTS 5 : *Do Educated Leaders Matter?*

*This article uses data on more than 1,000 political leaders between 1875 and 2004 to investigate whether having a more educated leader affects the rate of economic growth. We use an expanded set of random leadership transitions because of natural death or terminal illness to show, following an earlier paper by Jones and Olken (2005), that leaders matter for growth. We then provide evidence supporting the view that heterogeneity among leaders' educational attainment is important with growth being higher by having leaders who are more highly educated.*

*By Timothy Besley, Jose G. Montalvo and Marta Reynal-Querol*

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## CONTENTS 6 : *Does Hospital Competition Save Lives? Evidence From The English NHS Patient Choice Reforms*

*Recent substantive reforms to the English National Health Service expanded patient choice and encouraged hospitals to compete within a market with fixed prices. This study investigates whether these reforms led to improvements in hospital quality. We use a difference-in-difference-style estimator to test whether hospital quality (measured using mortality from acute myocardial infarction) improved more quickly in more competitive markets after these reforms came into force in 2006. We find that after the reforms were implemented, mortality fell (i.e. quality improved) for patients living in more competitive markets. Our results suggest that hospital competition can lead to improvements in hospital quality.*

*By Zack Cooper, Stephen Gibbons, Simon Jones and Alistair McGuire*

## CONTENTS 7 : *Policy Analysis with Incredible Certitude*

*Analyses of public policy regularly express certitude about the consequences of alternative policy choices. Yet policy predictions often are fragile, with conclusions resting on critical unsupported assumptions or leaps of logic. Then the certitude of policy analysis is not credible. I develop a typology of incredible analytical practices and give illustrative cases. I call these practices conventional certitude, duelling certitudes, conflating science and advocacy, wishful extrapolation, illogical certitude and media overreach.*

*By Charles F. Manski*

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จัดทำโดย

ศูนย์บริหารงานวิจัยและบรรณสารสนเทศ

ฝ่ายเทคโนโลยีและบรรณสารสนเทศ

ชั้น 5 อาคารระทรวงการคลัง

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