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Evaluating conceptual definitions of ecosystem services and their implications

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Ecological Economics

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Abstract

“Ecosystem services” is a phrase with many meanings, yet very few studies have primarily focused on comparing different definitions of the term. Ecosystem services are now generally used in identifying an appropriately wide range of environmental variables for policy and management as well as better understanding the benefits provided by those aspects of the environment. A review of the dominant definitions of ecosystem services reveals the term is comprehensive in its scope and requires further specification for most purposes. Analysis further reveals that there are four main categories of conceptual definitions. The paper concludes that ecosystem services can be identified at various points along the spectrum of nature-human interaction depending on which specific definition is chosen and that the term was not created to identify a novel set of environmental objects or processes.

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Tracing the impacts of a northern open economy on the global environment

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Ecological Economics

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Abstract

The globalization of the world economy has increased resource flows around the planet, raising pressures on the environment. Historically, northern industrialized economies have been responsible for the majority of resource consumption, while developing countries have suffered the associated social and environmental impacts. This article analyzes the extra-territorial responsibility of the Basque economy (Europe), to illustrate the responsibility of northern open economies towards the global environment. To do this, we: (i) analyze the material and energy flows of the Basque economy, their source and impacts on other regions of the world, (ii) study the impact of the economic and investment activities of Basque companies abroad, and (iii) examine, together with other paradigmatic examples, three case studies from Latin-America, East Africa and Southeast Asia that represent the liabilities of northern economies in the Global South. This approach allows us to connect production and consumption processes in affluent countries with associated socio-ecological impacts in the extraction frontiers in order to better understand and potentially transform current economic patterns and their consequences. In addition, the study indicates how to bridge the gap between local and global scales, creating a useful approach to raising social awareness and informing public policies in resource intensive societies.

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Shopping time

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Economics Letters

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Abstract

There is a renewed interest in macroeconomic theories of search frictions in the goods market that help solve quantitative puzzles on amplification and persistence of GDP, sales, inventory and advertisement. This requires a deeper understanding of the cyclical properties of the intensive margins of search in this market. Using the American Time Use Survey we construct an indicator of shopping time. It includes both searching and purchasing goods and is based on 25 time use categories (out of more than 400 categories). We find that average time spent shopping declined in the aggregate over the period 2008–2010 compared to 2005–2007. The decline was largest for the unemployed who went from spending more time shopping for goods than the employed to roughly the same, or even less, time. Cross-state and individual regressions indicate pro-cyclical consumer shopping time in the goods market. This evidence poses a challenge for models in which price comparisons are a driver of business cycles.

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Analysis of energy poverty and its implications for sustainable development in Nigeria

Fidelis O. Ogwumike and Uche M. Ozughalu

Environment and Development Economics

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Abstract

This study estimates and analyzes the incidence and determinants of energy poverty in Nigeria based on a simple multidimensional energy poverty index that it constructed. It also highlights the implications of energy poverty for sustainable development in Nigeria. The headcount ratio and the logistic regression technique are used. The study utilizes the Nigeria Living Standard Survey data set of 2004, obtained from the National Bureau of Statistics. The estimates show that energy poverty is pervasive in the country; it afflicts over 75 per cent of the population. The determinants of energy poverty in Nigeria include household size; educational level, gender and age of household head; general poverty; region of residence; and proportion of working members in the household. Efforts should be made to adequately tackle the problem of energy poverty in Nigeria. This is a major way to put the country on the path to rapid and sustainable development.

Database

Cambridge Journal

Gender Discrimination in Property Rights: Six Centuries of Commons Governance in the Alps

Marco Casari and Maurizio Lisciandra

The Journal of Economic History

Volume 76, Issue 02, June 2016, Page 559-594

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Abstract

Starting from the Medieval period, women in the Italian Alps experienced a progressive erosion in property rights over the commons. We collected documents about the evolution of inheritance regulations on collective land issued by hundreds of villages over a period of six centuries (thirteenth-nineteenth). Based on this original dataset, we provide a long-term perspective of decentralized institutional change in which gender-biased inheritance systems emerged as a defensive measure to preserve the wealth of village insiders. This institutional change also had implications for the population growth, marriage strategies, and the protection from economic shocks.

Database

Cambridge Journal

A matter of good taste: investigating preferences for in-house water treatment in peri-urban communities in Cambodia

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Environment and Development Economics

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Abstract

Low demand for safe water may partly result from a perceived distaste towards or the inconvenience of treatment methods. This paper analyzes preferences for water quality improvements in peri-urban Phnom Penh. The authors first analyze data from a discrete choice experiment in which respondents selected their preferred alternative from generic options varying in cost, taste acceptability, effectiveness against diarrhea and quantity of water treated. The choice patterns suggest that demand for water treatment is highly dependent on taste acceptability. The authors also use double-blinded taste tests to show that respondents are sensitive to one common taste in treated drinking water, that stemming from chlorine disinfection. While many compounds (natural and anthropogenic) may contribute to taste problems in drinking water, the lack of alignment between household preferences for taste and water safety may play a role in the low use of household water treatment methods in many settings.

Database

Cambridge Journal

Buying High and Selling Low: Stock Repurchases and Persistent Asymmetric Information

Philip Bond and Hongda Zhong

The Review of Financial Studies

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Abstract

Share prices generally fall when a firm announces a seasoned equity offering (SEO). A standard explanation is that an SEO communicates negative information to investors. We show that if repeated capital market transactions are possible, this same asymmetry of information between firms and investors implies that some firms also repurchase shares in equilibrium. A subset of these firms directly profit from repurchases, while other firms repurchase in order to improve the terms of a subsequent SEO. The possibility of repurchases reduces both SEOs and investment. Overall, our analysis highlights the importance of analyzing SEOs and repurchases in a unified framework.

Database

Oxford Journals

Production Flexibility, Product Markets, and Capital Structure Decisions

Sebastian J. Reinartz and Thomas Schmid

The Review of Financial Studies

Volume 29, Issue 6, June 2016, Page 1501-1548

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Abstract

We examine how production flexibility affects financial leverage. A worldwide sample of energy utilities allows us to apply direct measures for production flexibility based on their power plants. We find that production flexibility increases financial leverage. For identification, we exploit privatizations and deregulations of electricity markets, geographical variations in natural resources, the technological evolution of gas-fired power plants, and differences in electricity prices and recapitalization cost across regions. Production flexibility affects financial leverage via the channels of reduced expected cost of financial distress and higher present value of tax shields. The relative importance of these channels depends on firms' profitability.

Database

Oxford Journals

Real Activity Forecasts Using Loan Portfolio Information

Urooj Khan and N. Bugra Ozel

Journal of Accounting Research

Volume 54, Issue 3, June 2016, Pages 895–937

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Abstract

To extend and monitor loans, banks collect detailed and proprietary information about the financial prospects of their customers, many of whom are local businesses and households. Therefore, banks' loan portfolios contain potentially useful information about local economic conditions. We investigate the association between information in loan portfolios and local economic conditions. Using a sample of U.S. commercial banks from 1990:Q1 to 2013:Q4, we document that information in loan portfolios aggregated to the state level is associated with current and future changes in statewide economic conditions. Furthermore, the provision for loan and lease losses contains information incremental to leading indicators of state-level economic activity and recessions. Loan portfolio information also helps to improve predictions of economic conditions at more granular levels, such as at the commuting zone level. We discuss the relevance of these findings for economic analysis and forecasting, and the relation of our study to prior work on the informativeness of accounting information about the macroeconomy.

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Control, Accountability, and Constraints: Rethinking Perceptions of Presidential Responsibility for the Economy

John V. Kane

Presidential Studies Quarterly

Volume 46, Issue 2, June 2016, pages 335–364

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Abstract

The state of the national economy is known to be of fundamental consequence for presidential fortunes, which implies that citizens (1) believe presidents exert substantial control over the national economy and, consequently, (2) hold presidents accountable for economic conditions. Yet the ability of presidents to control the national economy is highly constrained. Thus, we know relatively little about how citizens come to perceive the presidency as being so responsible for economic outcomes. Using a survey experiment, this study examines whether presidential campaigns, and candidates' claims specifically, are capable of shaping citizens' perceptions of presidential responsibility for the economy. Paradoxically, the results reveal that the public is inclined to hold presidents accountable for the economy to a significantly greater extent than it perceives presidents to actually control the economy. Moreover, the results suggest that, by deliberately omitting information about the constraints on presidential power over the economy, candidates' claims may play an important role in perpetuating unrealistic expectations of the president among the general public.

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