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MESSAGE FROM PROF. SAMPATH AMARATUNGE

It is with immense pleasure that I warmly welcome all participants to International Conference on Economics and Development, on behalf of University of Sri Jayewardenepura as the hosting partner of the Conference organized by The International Institute of Knowledge Management (TIKM).

The University of Sri Jayewardenepura has always encouraged Research by way of providing adequate grants and other resources to all academics. It is indeed a pleasure to be the hosting partner for this conference.

The theme for this year's conference has been carefully picked, "Inclusive Economic Growth: Rethinking the Development Process in a Time of Paradigm Shift" and it is undoubtedly an issue of high interest for all of us. Though, it is a national issue which is relatively new to local researchers it has been there within the economic vocabulary of the contemporary world for quite a while.

It is my strong belief that this conference would contribute greatly to the enrichment of the discipline as well as the enhancement of the knowledgebase amongst the Academics. I need to emphasize that this International Research Conference is a great opportunity for the academia to engage in productive dialogue on the growth process of the country.

Concluding my message I wish the Conference every success and wish to see the

Knowledge and expertise derived from the Conference will go a long way enriching the fields of Economics and Development.

Prof. Sampath Amaratunge,
Vice-Chancellor,
University of Sri Jayewardenepura,
Sri Lanka.

MESSAGE FROM DR. SUMUDU PERERA: CONFERENCE CHAIR

It is a true pleasure for me to release this message as the Chairperson of the International Conference on Economics and Development (ICED) 2017. The conference provides a unique opportunity to academics and practitioners to interact and share their knowledge on Economics and Development. The theme of the conference has been set as “Inclusive Economic Growth: Rethinking the Development Process in a Time of Paradigm Shift”.

Inclusivity being a concern for decades has not been adequately discussed in academic forums of this nature within the country thus far. Therefore, the ICED 2017 has provided the timeliest podium to bring about the reality of inclusivity in terms of concept and application through high quality research. It is my strong belief that ICED 2017 will act as a good platform for the researchers in this field to share and enhance their knowledge on economic development and sustainability.

I wish all the best for the ICED 2017 and would take this opportunity to thank the organizing committee for their valuable efforts.

Thank You!

Head of Department and senior lecturer,
Department of Business Economics,
Faculty of Management Studies & Commerce,
University of Sri Jayewardenepura,
Sri Lanka.

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ORAL PRESENTATIONS

[01]

ALTERNATIVE ECONOMIC REFORM

Jiuqi z.

*The University of Hong Kong, Hong Kong***ABSTRACT**

We present a transition model, in which the entry and production decisions of heterogeneous agents drive resources reallocation from the low-productivity sector to the high-productivity sector. Entrepreneurs' entry and production decisions are constrained and affected by the reform strategy implemented. We compare three alternative reform strategies, the big-bang strategy, the privatization-only strategy, and the market-entry strategy. We have four findings in this essay. Firstly, there is no low-talented firms exist in the steady state under any reform strategy. The second finding is an irrelevance result: the steady-state wage rate and the steady-state capital-labor ratio depend only on exogenous variables in the model, such as the interest rate level and the credit market friction, and are independent of the exact reform strategy chosen. Thirdly, reform strategies affect the level of national incomes in the steady state. While the steady-state national incomes under the big-bang strategy is the same as under the market-entry strategy, the national income under the privatization-only strategy is higher. The reason is that under the latter strategy, there are legal constraints on who can start and run a business. This leads to larger and fewer firms, and correspondingly, fewer managers and a larger fraction of agents being employed as ordinary workers. Fourthly, because of fewer and larger firms, each manager's compensation and each entrepreneur's profits are greater under the privatization-only strategy than under the other two strategies. Thus, there are welfare and inequality implications between the reform strategies even in the long run.

Keywords: Economic Transition, Reform Strategies, Long Run Growth, Income Inequality

[02]

**MICROECONOMIC IMPACTS OF PUBLIC TRANSIT: EVIDENCE FROM
LAHORE, PAKISTAN**Hadia M.¹, Ammar M.² & Kate V.³*¹Department of Economics, Lahore University of Management Sciences, Pakistan**²Urban Institute, Washington, USA**³Department of Economics, Duke University, USA**³We thank the International Growth Centre and the International Food Policy Research
Institute, Pakistan***ABSTRACT**

Improvements in urban transport affect not just the market for transport but the markets for labor, real estate and services in a city. These micro-level impacts of such investments are little studied, particularly in developing countries. In this paper, we provide a credible causal estimate of the effect of a new urban mass transit line in Lahore, Pakistan on labor and housing markets and organization of local economic activity. We use areas which were slated for transit routes that either have not yet been built (planned lines) or were removed from the plans (cancelled lines) as a comparison group for areas connected by transit. Within such areas, we sample areas that were comparable on observables at two points in time before the transit was built, and collect data on household and neighborhood outcomes three years after transit was introduced. We find that the transit caused workers to switch from other modes to public transit and reduced average commute times to work. We do not see significant changes in work on labor force participation or job choice, but we do find evidence that local transit stops increased the proportion of renters in nearby areas and increased the activity of small local businesses.

[03]

AID AND MORAL HAZARD: A CASE STUDY FROM NIGER

Jose A. P. G.

*United Nations Economic and Social Commission for Asia and the Pacific, Thailand***ABSTRACT**

This paper aims at enriching the debate on aid effectiveness in Niger, a Sub-Saharan country that has received aid since its independence in 1960, yet remains one of the world's poorest. The existence of and reasons for moral hazard are analysed through a historical case study between the country and the International Monetary Fund (IMF). Niger's requests for assistance are accompanied by promises to undertake reforms; however, once aid is disbursed these undertakings rarely materialize. Despite this record of poor (and deteriorating) compliance, IMF aid continues to flow, engendering perverse incentives and moral hazard. It might seem that the collaboration between them is based on objective programs with strict conditionalities which must be met lest the disbursements be suspended or cancelled. In reality, the relationship is best understood in terms of the incentives at stake. Niger's Government gets aid flowing in, whilst avoiding the implementation of those political reforms which would create most resistance. As a counterpoint, the IMF gets that number of actions necessary required for its continued support of the country, which it needs to provide to demonstrate its relevance to its shareholders. In this status quo, it is in the interest of both parties that the reforms are those easiest to undertake. Thus, the outcome reforms implemented are unlikely to be the structural ones which are needed.

Keywords: Aid Effectiveness, Moral Hazard, Niger, IMF

[04]

**BANKING SECTOR CONTRIBUTION IN A DEVELOPING ECONOMY: THE
CASE OF BANGLADESH**

Hasan M. I. & Rab N. B.

*Department of Business Administration, East West University, Bangladesh***ABSTRACT**

The paper endeavored to highlight the contribution and commitment of the Banking sector in the economy of Bangladesh. A healthy and well-functioning banking system enables the efficient allocation of resources to individuals, organizations, and projects that can use those resources effectively. This paper looks at the different aspects of Banking Industry which contribute directly or indirectly in the economy. The role of banks in economic development is to eliminate the deficiency of capital by stimulating savings and investment. A comprehensive banking system assembles the small and scattered savings of the community, and makes them available for investment in productive enterprises. Numerous studies have revealed that banking and financial sector development is an indispensable condition for economic development. Banks stimulate capital formation, investment in new enterprises, promotion of trade and industry, savings, and development of agriculture. No financial advancement of substantial extent is feasible unless there is a sufficient level of capital development.

This research is focused on secondary data collected from the different official publications of respected banks and Bangladesh bank for 2004 to 2015. To find the long run relationship between the variables we have used multiple regression analysis where GDP (gross domestic product) is the dependent variable on DEP (Deposits), INV (Investments), ADV (Advances), ROA (Return on asset), INE (Interest earning) and NEMP (Number of Employees) of the Banking sector of Bangladesh. The research echoes with some expected relationship of dependent variable with some of the independent variables while few independent variables yield no significant relationship. This research explored the extent of contribution of Banking industry in the economy of Bangladesh and identified the improvement areas.

Key words: Banking Sector, Bangladesh, Economic Development, Deposits, Investments

[05]

DEBT SUSTAINABILITY OF STATES IN INDIA: AN ASSESSMENT

Balbir K., Atri M. & Anand P. E.

*Department of Economic and Policy Research, Reserve Bank of India, India***ABSTRACT**

The debt position of the state governments in India, which deteriorated sharply between 1997-98 and 2003-04, has witnessed significant improvement since 2004-05, reflecting the impact of both favourable macroeconomic conditions and policy efforts by the central and the state governments. The debt sustainability analysis carried out in the paper, based on empirical estimation of inter-temporal budget constraint and fiscal policy response function in a panel data framework, covering 20 Indian states for the period 1980-81 to 2015-16, indicates that the debt position at the state level is sustainable in the long run. Disaggregated level analysis, however, reveals that despite an overall improvement in debt position of the Indian states, some of the states continue to show signs of fiscal stress on the back of rising debt burden. The increase in contingent liabilities of states and take-over of a large chunk of these liabilities on account of restructuring of debt of State Power Distribution Companies may lead to further deterioration in the debt position of states in case the conditionalities underlying the restructuring process for revival of these companies are not adequately met within the given timeframe. The risk of additional debt liabilities arising as a result of poor performance of state public sector enterprises highlight the need for a holistic assessment of debt position of states by reckoning their contingent liabilities in general and guarantees given to state public sector enterprises in particular.

Keywords: Gross Fiscal Deficit, Public Debt, State Governments

[06]

CORPORATE GOVERNANCE: INDIAN PERSPECTIVE WITH RELATION TO SARBANES OXLEY ACT

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ABSTRACT

Corporate governance is one of the most important legislative domains of a business organization which has an impact on its profitability, growth and even sustainability of business. As business circumstances are vary the investors are differ with respect to incentives, risk-attitude, and different incentive strategies, the outcome of this process emerge as a kind of corporate governance practices. With the increase in financial irregularities, misleading and fraudulent activities carried out in the firm, U.S Securities and Exchange passed the act called Sarbanes-Oxley Act (SOX), whereas in India the Clause 49 of SEBI, is many times termed as Indian version of SOX but it has also been criticized for not being holistic in nature. Many of the corporate governance regulations are scattered in various clauses of Indian Companies act too. In this paper we aim to compare SOX and Indian regulations on corporate governance. We discuss the similarities, differences, areas of SOX superiority and suggest various improvements which if incorporated in Indian laws may lead to achievement of comprehensive regulation on corporate governance.

Keywords: SOX, Corporate Governance, Clause 49 SEBI, India

[07]

**HOW DOES PERSONALITY AFFECT PEOPLE'S DECISION MAKING? –
EVIDENCE FROM DICTATOR EXPERIMENTS**

Lau K. W.

The Chinese University of Hong Kong, Hong Kong

ABSTRACT

For most of the decision making experiments found in the literature, there were usually several major outcomes, and some were different from what neoclassical theory expected. Lots of theories have been built in attempt to explain the differences, but none seems satisfactory. We conjecture the phenomenon of only a few, but not many, outcomes is due to a limited number of personality types. Hence, by adding personality into the explanation model, we expect it would enhance the prediction and explanation.

Keywords: Decision Making, Dictator Game, Personality

[08]

**PRODUCTIVITY, QUALITY AND BUSINESS PERFORMANCE: AN EMPIRICAL
STUDY ON HAND-MADE LEATHER SHOES INDUSTRY OF LAHORE,
PAKISTAN**

Javed H.¹ & Firdousi S.²

*¹Pakistan Industrial Technical Assistance Center, Ministry of Industries and Production,
Pakistan*

²Lahore School of Economics, Pakistan

ABSTRACT

The purpose of this paper is to empirically study the linkage among productivity, quality and business performance in hand made leather shoes units in Lahore, Pakistan. This study will use action based research of hand-made leather shoes unit with application of econometric tool three stage least square (3SLS) regression analysis. The data will be gathered through questionnaire survey based on convenience sampling. The main findings of the research is in support of economic rationale that quality leads to productivity and successively productivity leads to enhance business performance for hand-made leather shoes units in Lahore, Pakistan. The logical and steady results of the proposed study using 3SLS have further provided empirical understanding of the relevant networking among productivity, quality and business performance. Besides this, study primarily explains that marketable hand-made leather shoes products are to be produced by taking into account constraints and periphery of production which is within the framework of vision, mission of goals and value created by motivation and dependability for monitoring the business performance. Through proper identification of linkage among productivity, quality and business performance it further aids in designing a holistic evaluation of the policy development related to hand-made leather shoes.

Keywords: Productivity, Quality, Business Performance, Three Stage Least Square Method, Hand-Made Leather Shoes

[09]

DETERMINANTS OF INDIA'S VERTICAL AND HORIZONTAL INTRA-INDUSTRY TRADE

Bagchi S., Bhattacharyya S. & Narayanan K.

Department of Humanities and Social Sciences, Indian Institute of Technology Bombay, India

ABSTRACT

A distinctive feature associated with trade liberalization witnessed across the globe has been rise in the *intra*-industry trade (IIT); so is the story of India, one of the major emerging economies in today's world. This paper explores the country specific determinants of India's total IIT and its two broad forms: Horizontal and Vertical IIT [H-IIT/V-IIT] at the much disaggregated HS- 6 digit level over the last two and half decades [1990-2014].

Most of the extant empirical literature does not address the concern of a *large unbalanced* panel which is having a case of $T \rightarrow \infty$ and N fixed. We, therefore obtain parameter estimates that are corrected against the problems of cross-sectional dependence, heteroskedasticity and auto-correlation, apart from converting all our concerned variables into stationarity. Robust parameter estimates obtained are however, in *contrast* to the conventional theoretical intuitions. India has been engaging in *all* forms of IIT mainly with *high income* countries; and is dominated by exports of *low vertically* differentiated goods with trading partners irrespective of their income classification levels. Difference in both the level of economic development and relative factor endowment *positively* affect the magnitude of India's IIT. Apart from such heterogeneities, cultural (dis)similarity between the trading partners also turns out to be a significant determinant of IIT. While a large export market provides opportunity to exploit scale economies and promotes IIT; distortions in the form of (high) bilateral tariff rate and transportation costs, adversely affect IIT.

Keywords: Horizontal and Vertical IIT, Unit Value Dispersion Criterion, Grubel-Lloyd Index

[10]

THE IMPACT OF DECENTRALIZATION OF PHILIPPINES' PUBLIC HEALTH SYSTEM ON THE HEALTH OUTCOME

Clarisse F. C.¹, Paul R. F. C.², David J. A. D. R.³ & Marie A. L. R. MDE⁴

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⁴ *University of Santo Tomas, Philippines*

ABSTRACT

In 1991, the Local Government Code of 1991 was constituted to commence, among others, the decentralization of the republic's health care structure from the national administration to local government units (LGUs). This was recognized on the concept that with decentralization, health system in the country would be strengthened. As the directive continued, past researchers concluded a system failure in the country's health sector upon its implementation. To scrutinize the previous scholars' suppositions, this study assessed the impact of the decentralization of the Philippines' public health system on health state of the population. The researchers pursued such analysis by utilizing the econometric model based on the Andrei, T., Mitrut, C., Constantin, D.L., & Oancea, B. (2009) study who dedicated their inquiry on the impact of decentralization of Romania's public health system to Romania's populations' health state, and by using 1980-2012 data series measured by national-level statistics. The researchers found out that total government health expenditure, and bed capacity per 10,000 populations are statistically significant and has a progressive influence to the population health conditions with a decline in infant mortality rate by 1,000 live births. However, the government doctors' population relative to infant death ratio was uncovered to be statistically insignificant.

Keywords: Decentralization, Total Government Health Expenditure, Bed Capacity Ratio, Government Doctors' Population, Infant Mortality Rate, Ordinary Least Squares

[11]

LABOR MIGRATION, POVERTY AND INEQUALITY: EVIDENCE FROM ESTATE SECTOR OF SRI LANKA

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ABSTRACT

Using a nationally representative sample, this study attempts to find the impact of migration and remittances on poverty and inequality of estate sector households of Sri Lanka. Multinomial Logit Selectivity Model was used to estimate the impact of migration and remittances on poverty and inequality. Results revealed that poverty incidence of internal migrant and international migrant families decrease from 9.67% to 7.53% and 6.97% to 4.65% respectively when remittances are included in household income. The depth of poverty decreases from 2.69% to 1.36 and 2.86% to 1.88% in internal and international migrant families respectively while severity of poverty decreases from 0.96% to 0.33% and from 1.26% to 0.78% in internal and international migrant families respectively. Moreover, the findings support a growing view in the literature that migration and remittances help in developing the estate household economy by reducing poverty thereby contributing positively to economic development. Thus, migration has become a livelihood strategy in estate communities and it is a new source of employment as well. Therefore, access to social capital and networks is highly and critically needed to improve the migration process in marginalized areas of estates and investments in education by relevant authorities would provide more access to migration opportunities.

Keywords: Migration, Remittances, Poverty, Inequality, Estate sector, Sri Lanka

[12]

COMPETITIVE ADVANTAGE FOR RMG SECTOR IN BANGLADESH: A COMPARATIVE ANALYSIS ON SOME SELECTED COUNTRIES

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ABSTRACT

The paper reveals with a competitive analysis of the reason that helps Bangladesh to gain competitive advantage compared to other south Asian countries in readymade garments (RMG) sector. Bangladesh has many competitive advantages such as cheap labor, lower tax rate, safe and easy transportation system, highly experienced labor, so many mills, lower production cost, availability of raw material and many other reasons. No other country of south Asia has such opportunities like Bangladesh.

The paper mainly covers the details and narrative discussion with statistical analysis on the reason for which RMG sector of Bangladesh is gaining competitive advantage. In this part the reason of competitive advantage has got the picture. Like many other reasons the most important reason, cheap labor of Bangladesh and its impact on the RMG sector and how the cheap labor creates competitive advantage is the main focus of the part of the report. Government also plays an important role to create a competitive advantage for any particular business or industry in a country. Infrastructural development, better tax facilities, safety of business, making business friendly law and ensuring enough opportunity is the main activities of the government of the country. As a result the role that the Bangladeshi government played in last few decades to ensure better advantage compared to other countries is also discussed in the report. The RMG industry friendly infrastructure development, and related rules regulations how ensures better business environment and better business opportunity are also brought into the light.

Keywords: RMG, Competitive Advantage, Challenges, Bangladesh

[13]

**UNDERSTANDING STANDARD OF LIVING AND CORRELATES IN SLUMS: AN
ANALYSIS USING MONETARY VERSUS MULTIDIMENSIONAL APPROACHES
IN THREE INDIAN CITIES**

Sugata B. & Suman S.

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ABSTRACT

Slum-dwellers in developing countries live under derogatory living conditions compared to the rest of the urban areas and are marginalized socially and economically. Urban policies towards improving the living conditions of the slum-dwellers require understanding the associated characteristics, which vary both within and across cities. In this paper, we use primary household survey data specifically designed and collected from three largest metro cities in India, Kolkata, Mumbai and Delhi, to study living conditions in slums as well as to explore how various characteristics are similarly or differently associated with household's monetary vis-à-vis non-monetary living conditions across cities. To assess non-monetary living standard, we use a counting approach framework. We observe slum-dwellers in Mumbai fare much better both monetarily and non-monetarily than those in Delhi and Kolkata. We find a number of characteristics to be differently associated with monetary vis-à-vis non-monetary living standards both within and across cities. Decomposition of indicators reveals the sources of deprivation among households with different characteristics. Findings of our study should have useful policy implications.

Keywords: Living Standards In Slums, Indian Slums, Multidimensional Poverty, Counting Approach, Slum Characteristics, Delhi, Kolkata, Mumbai

[14]

HUMAN CAPITAL AND ECONOMIC GROWTH IN SRI LANKA

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Does a loss of skilled personnel in Sri Lanka reduce its potential for economic growth and development? Talent shortage is a crisis for conflict driven countries and becomes a challenge to most post-conflict countries if effective and attractive development policies and practices are not implemented. As a consequence of the war, Sri Lanka has scarce resources, a growing population, and relatively underdeveloped economy. During the 30-year conflict, most Sri Lankans migrated due to political, economic, educational, social, cultural and environmental factors in search of security, stability and opportunity. In order to promote peace and work towards sustainable development, it is vital for Sri Lanka to find creative ways to retain the best talent and attract talent from abroad as talent is one of the greatest assets for a post-conflict country during the development process. Moreover, Sri Lanka is gradually progressing into becoming a knowledge-based economy; therefore, it is important for different sectors to adapt to changing demands and provide practical solutions where necessary in order to reduce the skills gap and overcome any challenges hindering economic growth and sustainability.

[15]

EFFECT OF SEA LEVEL RISE ON LAND VALUES

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ABSTRACT

I fit Ricardian regressions of agricultural land values for 2830 counties of the United States on past sea level rise, taking account of spatial autocorrelation and heteroscedasticity. I find a significant, hill-shaped relationship between sea level rise and land values. Hence, the outcomes are mixed. Mild sea level rise increases, while more pronounced sea level rise causes land values to fall. The results are robust to a set of variations and the relationship is similar to the relationship of climate variables and agricultural land values found by a number of previous studies.

[16]

**ACCOUNTING FOR CARBON DISCLOSURE PERFORMANCE AND RETURN
EARNINGS RELATION: CASE OF UK FIRMS**

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Firm level carbon emission has been reported as a significant issue creating adverse social and economical impact for people around the world. Researchers focus on carbon disclosure so far has mainly been pointed at the countries where the emission takes place irrespective of where the economic benefit of this emission is realized. Addressing the vacuum at firm level analysis, the current study aim to focus on firm level data reported under the initiative of Carbon Disclosure Project (CDP) started in 2003. An unbalanced panel of firms listed in FTSE 350 is used for the analysis to keep the focus as narrow as possible allowing specific implications to the firms. In this context, the current study focus on the impact firms' carbon disclosure and green house gas emission has on the relationship between the stock return, contemporaneous annual earnings and the future earnings. The results highlighted the information informativeness of carbon performance disclosure and the greenhouse gas emission. Results provided implications for firm managers, the policy makers and the investors particularly promoting sustainable and responsible investment decisions.

Keywords: Carbon Disclosure, Green House Gas, Carbon Emission, Information Informativeness, Contemporaneous Annual Earning, Future Earnings

[17]

MITIGATING THE VULNERABILITY OF SUBSISTENCE FARMERS THROUGH GROUND WATER OPTIMISATION

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ABSTRACT

The majoritant of the South African rural populace are directly or indirectly engaged in agricultural practices for a livelihood. However, impediments such as the climate change and inadequacy of governmental support has undermined the once thriving subsistence farming communities of South Africa. Furthermore, the poor leadership in hydrology, coupled with lack of depths in skills to facilitate the understanding and acceptance of groundwater from national level to local governance has made it near impossible for subsistence farmers to optimally benefit from the groundwater beneath their feet. The 2012 drought experienced in South Africa paralysed the farming activities across several subsistence farming communities across the KwaZulu-Natal Province. To revamp subsistence farming, a variety of interventions and strategies such as the Resource Poor Farmers (RPF) and Water Allocation Reforms (WAR) have been launched by the Department of Water and Sanitation (DWS) as an agendum to galvanising the defunct subsistence farming communities of KwaZulu-Natal as well as other subsistence farming communities across South Africa. Despite the enormous resources expended on the subsistence farming communities whom often fall under the Historically Disadvantaged Individuals (HDI); indicators such as the unsustainable farming practices, poor crop yield, pitiable living condition as well as the poor standard of living, are evidential to the claim that these afore cited interventions and a host of other similar strategies indicates that these initiatives have not yield the desired result. Thus, this paper seeks to suggest practicable interventions aimed at salvaging the vulnerability of subsistence farmers within the province understudy. The study pursued a qualitative approach as the view of experts on ground water and similarly related fields from the DWS were solicited as an agendum to obtaining in-depth perspective into the current study. Some of the core challenges undermining the sustainability and growth of subsistence farming in the area of study were - inadequacy of experts (engineers, scientist, researchers) in ground water; water shortages; lack of political will as well as lack of coordination among stakeholders. As an agendum to optimising the ground water usage for subsistence farming, this paper advocates the strengthening of geohydrological skills, development of technical training capacity, interactive participation among stakeholders as well as the initiation of Participatory Action Research as an agenda to optimising the available ground water in KwaZulu-Natal which is intended to orchestrate a sustainable and viable subsistence farming practice within the province.

Keywords: Subsistence Farming, Ground Water Optimisation, Resource Poor Farmers, Water Allocation Reforms, Hydrology

[18]

**A DISAGGREGATED STUDY ON TRENDS IN GROWTH OF AGRICULTURAL
PRODUCTION AND PRODUCTIVITY IN WEST BENGAL, INDIA IN PRE AND
POST-ECONOMIC REFORM PERIOD: INVESTIGATING IMPACT ON
ECONOMY AND EMPLOYMENT**

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ABSTRACT

The massive growth in production and productivity in food grain achieved by West Bengal and her districts during eighties got slowed down in nineties and since 2000-01 the decline became sharp and the success that was achieved in the 1980s become unsustainable. During the reform era, cost of production has increased. During nineties and in subsequent periods, the growth rate of agricultural SDP declined despite the growth rate of GSDP for the state as a whole improved substantially during these periods. Since 1980-81 onwards, a secular fall in share of contribution to GSDP of both registered and unregistered manufacturing sectors became a matter of concern. Absence of large-scale manufacturing sector has elongated industrial backwardness of the state. Increase of incidence of land alienation of pattadars and increasing eviction of bargardars in the state and her districts has further complicated the agrarian situation. The corroborative inadequacies in thriving for alternative employment avenues in a large extent crippled the economic status of agrarian community of Bengal in post-economic reform era.

Keywords: Agricultural Production, Agricultural Productivity, Sub-Period Growth, Industrial Backwardness, Land Alienation, West Bengal

[19]

FOOD SECURITY ASPECTS OF FORESTRY IN BANGLADESH

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The paper focuses on the current situation regarding food security aspects of forestry in Bangladesh. The fundamental definition of food security encompasses both the physical and economic access to food that meets people's dietary needs as well as their food preference. Forestry refers to the proper management and utilization of the conserved forests and associated resources that come from forests in a sustainable and effective way that upholds the values for environmental and human benefits. The main objective of the research was to see whether changes in forestry bring about changes in food security. We will also explore different aspects of the role of agro forestry and see how it can affect the economy as a whole. Moreover we will dig into the classifications of agro forestry, i.e. how forestry can be manipulated to incorporate agriculture that is in the form of food, medicine and other materials that can contribute to food security. Furthermore, we have gathered insight regarding consequences of deforestation and how it plays a major role in determining food security for understanding the necessity of forests and its contributions to sufficient food supplies. We also have two hypotheses regarding the nature of the relationship between forestry and food security, and whether forestry can replace or be an alternative to agriculture as a source of food supply. The paper depends mostly on quasi-primary and secondary data. In short one can say that forestry can't and should not be expected to resolve the totality of food security issues.

Keywords: Food, Forestry, Security, Agriculture, Bangladesh

[20]

COMMERCIAL FRUIT CULTIVATION FOR POVERTY ERADICATE

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Poverty is one of major challenge for the development. Most of Asian country depends with agriculture. Every country invests agro base industry, aiming with increase income of farmers and eradicates their poverty. Process of food consumption by the peoples is depending with the food availability of the market. Researchers found, most of non-communicable deceases coming with lack of fruit consumption by the peoples. Sustainable development goals understood as their challenge eradicate poverty in all forms and end hunger achieving food security, improve nutrition with promoting sustainable agriculture. Its directly connect with the end poverty among peoples. Our study hypothesis is “fruit village program very helpful to eradicate all form of rural poverty”. As a country, “2017 nominate as a **year of eradicate poverty** by the government. As a practice provincial council of eastern province conducted fruit village program for eradicates the farmer’s poverty.

The program already implemented by the department of agriculture and issued several thousand of plant within farmers and technically supported. Water pump, agro wells and some infrastructures given under half of department contribution. Most of highly vulnerable peoples are select as a beneficiary and perform to implement papaw cultivation with compost and bio fertilizer applying. Using mini survey study checked whether the relationship between poverty eradication of fruit village program. Test the final development outcome of the farmer’s health, infrastructure, education, livelihood and increase income of the peoples what project objected. Random sampling method will be use collect data. Finally try to check how help this type of program for eradicate poverty and how it’s important to development of national economic.

Keywords: Fruit Village, Farmers, Poverty, Plant, Food, Agriculture

[21]

INCLUSIVE GROWTH, POVERTY AND AGRICULTURE IN INDIA: PERFORMANCE OF ODISHA

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ABSTRACT

Impressive economic growth and acceleration of per capita income during the post-reform period in India is well documented but it has been tardy in Eastern India - one of the backward regions in the country. Predominance of rural and agriculture continues in terms of employment, food production, resource use, regional growth and development. However some eastern Indian states have exhibited high growth without notable reduction in poverty. This paper broadly seeks to answer two questions: one, whether growth has been poverty reducing and inclusive. Second, how agriculture-poverty-growth nexus shape regional growth and development experiences in India. Our focus is on Odisha – a backward eastern Indian state. Using suitable secondary and primary field data, the paper makes a modest attempt to analyze major changes in nature and pattern of agriculture and rural development in eastern India, during last three decades and analyzes some key factors responsible for this with focus on Odisha. Our analysis covers agrarian structure, input use, productivity, new policy interventions, market and other institutions and some rural and agrarian features specific to the region. We also offer some credible explanation for slow and unstable growth that failed to support faster poverty reduction and promoting inclusiveness. The agriculture-poverty-growth interfaces in a resource-rich economically backward State like Odisha during the reform period is highlighted. The growth performance and fiscal scenario of the state has been improved without much improvement in poverty and inequality. Major reforms and policy changes seem do not match to ongoing rural and agrarian changes which further slowdown the pace of poverty reduction in the state without much focus on inclusiveness. The paper concludes with suggestions to improve rural and agriculture growth to reduce poverty faster and promote social development which is prerequisite for inclusive development.

Keywords: Growth, Poverty, Agriculture, Inclusiveness, Odisha, Eastern India

[22]

**SUSTAINABILITY OF HARVEST OF BAY LEAF *Cinnamomum tamala* ITS
IMPLICATION FOR RURAL LIVELIHOOD IN MEGHALAYA, INDIA**

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Cinnamomum tamala is the second largest Non-Timber Forest Product (NTFP) of Meghalaya earning approximately Rs 20 million cash to the growers every year. About 2800 metric ton of bayleaf reaches the regulated market of Meghalaya every year. The average tax collected from bayleaf trade by the state government is about Rs 4.95 million per year. The sustained economic return from this system depends largely on the collection practices of the leaf. Three study sites with dominant *C. tamala* population were monitored for two years. The enrichment of natural agro-forestry systems with *C. tamala* did not compromise on the species diversity and community structure of the forests. In study site I and II the dominance–diversity curve using Importance value index (IVI) followed a log-normal distribution, at study site III the curve was broken-stick model. Traditional methods of bayleaf harvest was different at the three study sites; at site-I few branches were harvested from most trees in alternate years, at site-II many branches were harvested from most trees every year and at site III many branches were harvested from only selective trees every year. Post harvest LAI index reduced 38% at site I, 31% at site II and 28% at site III. However, the flower production, average seed weight and LAI index was higher at site-I in the second year of study. Thus, bayleaf offers a sustainable system of leaf harvest. Further monitoring of disease resistance and value addition of bay leaf is impertinent for improving the rural livelihood.

Keywords: Earning, Harvest, Leaf, Livelihood, NTFPs, Sustainable

[23]

SMALL ONION PRODUCERS WILL ACQUIRE PROFITABLE? - A CASE STUDY

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ABSTRACT

While the farming community is facing a heavy loss in the cultivation of crops such as paddy, sugarcane and turmeric, vegetables, particularly the small onions, give them a significant return. The income from the vegetables helps the farmers to meet their living expenses. This study is purposefully conducted as termed as Case Study in Thiru. Duraimurugan, [Mobile No: 078454 16243] farmer in Village of Kanmaniyapuram, Kadayanallur Taluk, Tirunelveli Distirct. The case study revealed that, the benefit-cost ratio is 1:1.4 that means, if the farmer will spend one rupee the profit is rupee 1.4. In fact that the farmer have been really struggling with the Break-Even Point. They face huge loss owing to poor yield. He has to modify their production pattern and verify the each cost component, which component to be minimized and which inputs might add to get higher profit with lower cost production.

Keywords: Case Study, Small Onion, Benefit-Cost Ratio, Economics, Agricultural Marketing

[24]

IMPACTS OF TRADE LIBERALIZATION ON THE POVERTY LEVELS OF INDIAN MANUFACTURING WORKERS: A REGION LEVEL ANALYSIS

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ABSTRACT

This paper is a study of the regional impacts of Tariff Reforms on the poverty levels of the manufacturing workers in India during the period 1983-2011. Lowering the Effective Rates of Protection (ERP) on the manufacturing goods appears to have significant effect on the poverty level. Because of the unavailability of the Effective Rates of Protection data for the unorganized manufacturing goods, this study focuses only on the organized manufacturing sector. Analyzing the NSS regions of the major states in India, this study shows that, urban regions experienced a significant change in poverty because of the tariff reductions on output as well as on inputs, though the level of impact gradually falls in the recent years. In case of rural regions, the fall in the Effective rates of Protection had a positive impact on the rate of poverty reduction in the immediate years after trade reforms, however in the recent years Effective Rate of Protection doesn't have any significant impact on the rural poverty. On the other hand, Literacy and bank branches have a significant impact on poverty. Four thick rounds of NSS: 38th round (1983), 50th round (1993-94), 61st round (2004-05) and the recent 68th (2011-12) has been used as our period of analysis. Region level poverty of the manufacturing workers is the variable of interest in this study. The explanatory variables are: ERP, share of secondary pass outs, share of scheduled class population, labor laws and number of bank branches in each region per 10,000 populations.

Keywords: Poverty, Trade Liberalization, Effective Rate of Protection, Tariff, India

[25]

EXAMINING CHANGES IN THE LEVEL & SHAPE OF INCOME DISTRIBUTIONS IN RECENT YEARS IN INDIA

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ABSTRACT

Though Indian economy since 1980s has expanded very rapidly, yet the benefits of growth remain very unevenly distributed. This is corroborated while examining the panel data from the India Human Development Survey for 2005 and 2012. We find that Gini as a measure of income inequality has increased from 0.521 to 0.523 between 2005 and 2012. While, income inequality in rural area has increased from 0.492 to 0.517, in urban area, the same has increased from 0.476 to 0.493 during the same period. Adding to this, based on a recent distribution analysis tool, “Isograph”, the paper focuses on local inequality, which summarizes the shape of inequality in terms of three inequality parameters (α , β and γ) to examine how the income distributions have changed over time. Here, the central coefficient (α) measures inequality at the median level, with correction parameters at the top (β) and bottom (γ). The results reveal that at the middle of distribution (α), there is almost the same inequality in both the period, but the coefficients on the curvature parameters β and γ show that there is less inequality in 2005 at the extremes than in 2012 ($\alpha+\beta$ and $\alpha+\gamma$ are both smaller in 2005). Results show that inequality constitutes a real challenge for India’s future development and it needs to be tackled effectively in a time bound manner.

Keywords: Income Inequality, Isograph, Gini-Coefficient, India, Median

[26]

TRANSFERRING FOREIGN INVESTMENT POLICIES: LEGAL AND ECONOMIC CONTEXT

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ABSTRACT

This paper analyses and critically examines; Firstly, all forms of the corporate regulations applicable to foreign investors in the emerging market economy compared with the role played by foreign investors in developed economies such as the UK and US. Secondly, the effectiveness of convergence foreign investment policies on the stock market growth of the jurisdictions proposed has been theoretically assessed.

The global financial crisis of 2007, 2008 prompted a new debate on the restrictions and stringent rules imposed on foreign investors in Dubai companies despite an on-going effort to attract more foreign investors to the region. The intuitive reason for the topicality of these restrictions is that the last economic crisis has given momentum to the contention that foreign investors' empowerment represents one of the most effective means to improve the stock market, the climate for the growth of the country's economy and corporate activities.

In effect, various academic arguments have been put forward in support of transferring foreign investment policies from the UK and US to the emerging market economy regulations. Therefore, it claims that a comparative analysis method of three jurisdictions proposed allows the comparative to become a source of inspiration for a legal reform of the Dubai's regulation. However, providing this approach raises an arguable point of view that the proponents of 'policy convergence' put a set of conflicting theories and obscuring differences between them. While the concept of policy convergence seems to be more 'rational policy-making' for some, the effect of 'policy transfer' on policy 'failure' and 'success' is less clear. Thus, the research question driving this paper 'Can Convergence of Foreign Investment Policies of Emerging Market Economy with the developed Countries' Regulations be Considered an Effective Means to Enhance the Stock Market Growth?'

It has been claimed, by undertaking a theoretical analysis that foreign investment policy in some emerging market economies is highly restricted compared with developed countries proposed, and the restrictions mitigation of foreign investors on stock market will theoretically provide an effective means through which stock market growth can be enhanced. Therefore, it has placed an emphasis on creating a new legal framework for regulating commercial activities which is oriented towards liberalization of international capital flows and relaxation of stringent rules imposed on foreign investors. However, leading academics will be brought together from different experiences in this paper to provide a critically analytical insight. It confirms that the UK and US regulations as a developed counties in regards to foreign investors have not prevent their financial services during different economic crisis. Therefore, the effect of transferring foreign investment policies of the UK and US to the emerging market economy regulations theoretical is not evident.

It is contended that a distinct contributions to knowledge will be made in this research; it will make a contribution to the existing knowledge by assessing whether the laws relating to foreign investors in some emerging markets are adversely impacting the stock market growth.

Keywords: Foreign Investment, Financial Liberalization, Financial Regulation, Convergence Policy, Comparative Corporate Law, Economic Growth, Economic Integration

[27]

WHAT LABOUR DYNAMICS ATTRACT FDI INFLOWS INTO SOUTH ASIA?

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This research paper examines the impact of labour dynamics such as cost of labour, skill level of employees, and differences in female participation for labour force on Foreign Direct Investments (FDI). South Asia exhibits varying labour dynamics and different patterns of FDI attraction. Thus, employing macro-level data from 2000 to 2003, we estimated a panel data model for four-leading South Asian countries, namely; Bangladesh, India, Pakistan and Sri Lanka. Findings of this study suggest that skilled level of the population, the level of economic openness, and infrastructure availability are key determinants of FDI inflows in to South Asia. Interestingly, cost of labour and differences in gender participation are not significant determinants. However, insignificant relationship between FDI inflows and cost of labour in South Asia is not surprising as East Asian countries such as China, Cambodia and Vietnam still dominantly attract cost-sensitive FDI at the global market. As suggested by the results, South Asia has a comparative advantage to attract skill-sensitive FDI. Therefore, countries in South Asia should invest in human capital to attract more FDI rather than facilitating cost-sensitive investments.

Keywords: Foreign Direct Investment, Labour Dynamics, Panel Data, South Asia

[28]

IS NON- TARIFF MEASURES GROWTH DISTORTIVE: EVIDENCE FROM INDIA'S AGRICULTURAL TRADE IN SOUTH ASIA

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ABSTRACT

Non- tariff measures (NTMs) are new frontiers in global trade which directly and indirectly affect economic growth of a country. Role of NTMs in the development process of countries is found complex due to its dual applications and anti- trade scenarios. This study provides an in-depth examination of agricultural trade constraints faced by South Asian countries due to NTMs with major focus over India. This study gives a comprehensive picture of sensitive products facing trade restrictions and identifies agro- products of high trade potential between India and of seven South Asian trading partners. Empirical research of all the agricultural trade disputes between India and seven trading partners of South Asia shows that India has applied maximum and used varieties of NTMs like health safety, quantitative restrictions and requirement of registration certificates to restrict agro- trade in South Asia. Findings also show that India gave special relaxations to Bangladesh and Nepal and some to Maldives in promoting agro- exports through removing her own export bans and prohibitions. On the other side, India's agro- products faced trade blockage mainly from Bangladesh and Pakistan among South Asia for quarantine and political reasons. This study based on price gap methodology derives insight that compared to economic unions like the European Union; South Asia can reach to a great height by reducing NTMs and promoting intra- regional agro- trade. Study concludes that NTMs prevail in disguised way in South Asia, in spite of preventive steps taken by some South Asian countries to promote agricultural trade.

Keywords: Non- Tariff Measures, Agro- Products, Trade Blockage

[29]

FACTORS INFLUENCING FOREIGN DIRECT INVESTMENT IN DEVELOPING COUNTRIES – A COMPARATIVE ANALYSIS OF SAARC COUNTRIES

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ABSTRACT

The purpose of this research is to investigate the influence of operational and country related factors in attracting foreign direct investment to developing South Asian countries. FDI is much more than just a source of funding for economic development, developing countries considers FDI as an activator of latest technology, developer of human capital utilization and increasing international trade integration to create a competitive business environment in the country. Many of SAARC countries have undergone economic pressures due to long term civil wars and terrorism. Sri Lanka, Pakistan and India are experiencing difficulty in recovering Economic crisis from the impact of war. Attracting FDI is up most important for these countries for poverty reduction and develops the Economy of creating competitive markets to face global arena. Developing countries faces insufficient domestic capital to create a competitive market offer adequate job opportunities and technology benefits.

Market attractiveness, internal capital market strength, initiatives for innovation, operational efficiency, financial stability and stock turnover in capital market are identified as key factors influencing FDI to developing countries of SAARC region. Past five years published economic and non-economic indicators of SAARC countries are used to test the correlation between factors associating FDI inflow to SAARC countries. A regression model is used to interpret the impact of different variables on the performance of FDI inflow of the SAARC countries. Supply side policies to attract the FDI to SAARC countries are assessed in the study.

Keywords: Operational Efficiency, Financial Stability, Stock Turnover, Capital Market Strength, Market Attractiveness

[30]

HUMAN DEVELOPMENT IN LAKSHADWEEP ISLANDS: BEYOND THE HUMAN DEVELOPMENT INDEX

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ABSTRACT

This study is intended to look in to human development scenario at family level in Lakshadweep Islands, a group of Islands in Arabian Sea, based up on a survey carried out in all the Island. The study constructed a Household Human Development Index (HHDI) approach using scoring procedure as an alternative to the max-min UNDP approach of HDI and found that the human development scenario is not very dismal and not outstanding in Lakshadweep Island, it is almost moderate. 58 per cent household has achieved high level of human development. Moderate level of human development is attained by 42 per cent. The study also found that the gap between two extreme households in respect of HDI and three dimensional indices is comparably low and the inter-household variation in the level of human development in Lakshadweep islands very low.

[31]

MEASUREMENT OF TECHNICAL EFFICIENCY AND ITS DETERMINANTS IN COTTON PRODUCTION IN NORTH-WEST, NIGERIA

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ABSTRACT

This study was designed to measure the technical efficiency and its determinants in Cotton production in North West, Nigeria. The study used primary data generated during the 2013/2014 cotton production season. Data were collected through the use of structured questionnaire administered to 355 cotton farmers. The data were analysed using stochastic frontier production model. Multi stage purposive sampling technique was used to select the States, the Agricultural Development Project zones, the Local Governments and the villages, while random sampling was used to select the respondents from which input-output data were collected. The result of the overall elasticities of production which give the level of return to scale derived from the Cobb-Douglas equation was 0.68. The result of the study further shows that 30% of the farmers had technical efficiency of 0.81 and above while 70% of the farmers operate at less than 0.8 efficiency level. The farmers with the best and least practice had a technical efficiency of 0.99 and 0.10, while the average technical efficiency index was 0.65 respectively. This implies that on the average, output fall by 35% from the maximum possible level due to inefficiency. The result of the determinants of technical inefficiency shows that the coefficients for age and farming experience were significant at 1%.level of probability, while educational level, household size and marital status were negative and not significant.

Keywords: Cotton, Elasticity, Technical efficiency, Determinants of Technical Efficiency

[32]

FDI, ECONOMIC PERFORMANCE AND TECHNOLOGICAL SPILLOVER EFFECTS: EVIDENCE FROM UAE

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ABSTRACT

This study is an attempt to empirically examine the impact of foreign direct investment (FDI) on economic performance and investigate the spillover effects from the FDI inflows in the United Arab Emirates (UAE), using a detailed sectoral-level panel dataset covering the period 2006 – 2014. The main empirical finding indicates that FDI has a mixed impact on economic performance in UAE and this effect depends on the sectoral characteristics and geographical destinations. In contrast, the results further show that the FDI from more technologically advanced countries tend to have a positive impact on economic activity. The findings suggest that the FDI inflows from countries with far distance of UAE seem to bring high benefit quality of technology.

Keywords: Economic Performance, Foreign Direct Investment, Spillover, UAE, Panel Data
JEL Classification: F21; F23; O33; O47

[33]

**AN EXTENT OF TECHNOLOGICAL CHANGE IN RICE CULTIVATION OVER
EASTERN INDIA DURING LAST FOUR DECADES USING MALMQUIST INDEX
APPROACH**

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The present study attempts to evaluate the extent of technological change (TECHCH), technical efficiency (EFFCH) and total factor productivity change (TFPCH) in rice cultivation over the Eastern states of India during last four decades (1971-72 to 2010-11) using Malmquist Index approach and to identify the key factor contributor for the overall change in paddy cultivation in Eastern India. The study concludes that there is an overall stagnancy in TFP for paddy in Eastern Region as a whole over the period studied. The Malmquist indices of TFPCH for Rice in Eastern Region of India range between the lowest values of 0.375 in 1996-97 to the highest value of 2.131 in 1979-80. Overall the TFPCH is deteriorating over the four decades as its mean value (0.932) has been found less than one resulting in no upward movement of frontier production function. While moving towards the individual state situation, TFPCH has been found declining in all the eastern states ranges between 0.837 in Assam to 0.983 in Bihar with an overall index of 0.932. The region still follows traditional rice cultivation package of practices even after four decades of Green Revolution in India with utilization of bullock labour instead of farm machineries and efficient use of seed and human labour which contributes maximum for the change in productivity over time. A combination of traditional as well as modern package of practices is highly welcomed in the region that could raise the overall productivity level of paddy in the region as a whole.

Keywords: Malmquist Index, Technological Change, Efficiency Change, Factor Contributor

[34]

DETERMINANTS FOR FINANCING IT FIRMS: A STUDY OF INDIAN INVESTORS

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ABSTRACT

The present work is based on survey dataset of 104 investors who invests in various sector of the Indian economy along with IT sector in order to understand the selection process and evaluation criteria of investors towards IT sector in Indian context and to analyze the different dimensions of venture capitalists management and other investors based on risk return aspects, choice of investment firm, expected return on investment and financing mix. Our study gathered importance of selection factor and economic aspects of VCs in the selection process of IT firms and analyze the various other aspects of proposed investment. A designed questionnaire was sent to all investors who are the part of investment process. Factor Analysis and ANOVA has been used to obtain the results.

Keywords: Investment, IT Sector, Selection Process

VIRTUAL PRESENTATIONS

[35]

WORKING CAPITAL MANAGEMENT AND FIRM VALUE: THE ROLE OF FIRM INNOVATIVENESS

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ABSTRACT

There have been variations in working capital performance among firms and industries in various countries over the last decade. While some of the firms are consistently improving yearly in their working capital, some others record deteriorating performance every year which is tying up billions of dollars meant to be used to improve their overall performance. One of the causes of the variations is level of firm innovativeness. Innovative firms make use of their innovative capabilities to improve their working capital performance while non-innovative firms do not direct their innovative capabilities towards enhancing their working capital performance. This study aims to examine the moderating role of firm innovativeness on the effect of working capital management on firm value between innovative and non-innovative firms in an emerging market. The study was carried out based on the listed firms in Bursa Malaysia for the period 2006-2015. By using a GMM estimation, the findings indicate that innovative firms have a better working capital performance than the non-innovative firms since they apply their innovative capabilities towards improving their working capital performance. This study suggests that firms need to align their innovative capabilities towards working capital management to improve firm value.

Keywords: Working Capital Management, Firm Value, Firm Innovativeness, Cash Conversion Cycle

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CONFRONTING THE INVERSE N - SHAPED ENVIRONMENTAL KUZNETS CURVE FOR CARBON EMISSIONS- A CASE STUDY OF INDIA

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ABSTRACT

This paper empirically investigates the existence of Environmental Kuznets Curve Hypothesis (EKCH) in the context of India for the period 1960-2011. It also tries to address the missing feedback link (possible effects of environmental degradation on economic growth) in the EKCH for carbon dioxide emissions. The study also underlines other econometric and methodological problems with estimates of the EKC. To examine the shape of EKC we have plotted the fitted value of per capita emissions and per capita RGDP from the long run co-integrating equation. To examine the single cointegrating equation we have used Fully Modified Ordinary Least square (FMOLS). We have taken both cubic and quadratic model into account. The results clearly show that there exists an inverse N shaped EKC in the context of India. To examine the missing feedback link in the EKCH we have used Error Correction Model based Granger Causality. The study shows that the missing feedback link is not being addressed both in the short run and long run. Annual time series secondary data for all the variables has been taken from the World Bank Database of country level indicators. The implications for environmental policy with particular reference to a developing country like India are addressed.

Keywords: Carbon Di-Oxide Emissions, Environmental Kuznets Curve (EKC), Economic Growth, Environmental Degradation, India

