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This February 2018 issue of *Thinking Aloud* is a special issue on the 14th South Asian Economics Students' Meet (SAESM). On January 18-21, 2018, SANEM, with the support from the World Bank and the Asia Foundation, organized the 14th SAESM in Chittagong, Bangladesh. SAESM is a prestigious annual academic event in South Asia which is a platform for economics undergraduate students and faculties from leading universities in South Asia to come together and share their views and opinions on thematic issues. The theme for the 14th SAESM was "Sustaining South Asia", and papers and discussions focused on the Sustainable Development Goals (SDGs). The conference included the Paper Presentation Competition, the Budding Economist Competition, a Quiz Competition and an Economics Debate Competition followed by a retreat. This issue provides summaries of the top 16 winning papers of the 14th SAESM. The fourth page of this issue provides glimpses of the 14th SAESM journey.

The first page article titled "Sustaining South Asia's Regional Integration Process" explores three important factors which might have held back the progress of regional integration in South Asia. These are 'size-imbalance', 'start-up stage' and 'convergence of development process'. The article argues that while tariff and non-tariff barriers, lack of trade facilitation and political will have their usual restraining effects, the aforementioned three other factors may qualify to be quite fundamental in understanding the unsatisfactory outcomes of the regional integration process in South Asia. The article highlights that, in contrast to the leadership experience in any other comparable regional blocs, there is a much more critical importance of India's leadership role in South Asia in taking the regional integration agenda forward. Also, there is a need for considerable 'unorthodox' efforts for energizing the regional integration process in South Asia, which should involve a much greater emphasis on intra-regional services and investment integrations. Finally, to energize and sustain South Asia's regional integration process, it is very important that the member countries get their domestic policies on trade openness, foreign investment, macroeconomic management and social policies 'right' for a strong convergence of their development processes.

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Sustaining South Asia's regional integration process

Selim Raihan

The concept of South Asia as a region is largely inherited from the British colonial legacy, with some exceptions. The year of 1947 and subsequently the year of 1971 saw the breaking down of the common integrated land mass of the Indian sub-continent into several pieces. The initiative for an integrated South Asia only started in the early 1980s with the formation of the South Asian Association for Regional Cooperation (SAARC) in 1985. Since then there have been initiatives like SAARC Preferential Trading Arrangement (SAPTA) in 1993 and the agreement on South Asia Free Trade Area (SAFTA) in 2006 to boost the regional integration process in South Asia. Results of these initiatives, however, have remained largely unsatisfactory. Furthermore, with enhanced and persistent political conflicts between two major countries, i.e., India and Pakistan, there are now questions whether South Asia can sustain as an integrated region in the future.

Yet, an integrated South Asia is important for many reasons. The region has a shared history, shared culture, and hundreds of years of common civilization which ran through different corners of this region. There is also convincing evidence that deeper regional integration is needed for generating and sustaining economic growth in South Asian countries in a region that is home to a significant share and the highest density of poor people in the world. Deeper regional integration through trade in goods and services and transport facilitation will improve the competitiveness of these countries to better participate in global trade. Promotion of regional supply chain will be crucial in developing dynamic comparative advantages of these countries. Finally, 'peace dividends', through intra-country stable political relations, will be immensely high.

The aforementioned scenarios call for a deeper investigation into the causes behind the unsatisfactory progress of the integration process in South Asia. The most cited, and of course very important, factors in the 'conventional' discourse are ineffective tariff liberalization due to the presence of long sensitive lists in the FTA, non-tariff barriers, lack of trade facilitation, and lack of political will.

In this article, we explore three other factors which have not been discussed much in the regular discourse on regional integration process in South Asia. These are 'size-imbalance', 'start-up stage' and 'convergence of development process'. Here we argue that while tariff and non-tariff barriers, lack of trade facilitation and political will have their usual restraining effects, the aforementioned three other factors may qualify to be quite fundamental in understanding the unsatisfactory outcomes of the regional integration process in South Asia. For our analysis, we make comparisons among SAARC, ASEAN (Association of Southeast Asian Nations), NAFTA (North American Free Trade Agreement), EU (European Union) and some African regional trading blocs.

The 'size-imbalance' factor relates to the gigantic dominance of India in South Asia. The shares of India in the total land area, population and real GDP of South Asia in 2016 are 62%, 75%, and 83% respectively. The two other big countries in South Asia are Pakistan and Bangladesh with shares in regional GDP of only 7.6% and 5.6% respectively. In contrast, among the ten ASEAN countries, Indonesia has the largest share of around 40% in all three cases (land, population, and GDP). However, with respect to the share in GDP, there are also five other major countries in ASEAN, such as Thailand (15.4%), Malaysia (13%), Singapore (11.1%), Philippines

(10.7%), and Vietnam (6.2%). In NAFTA, among the three countries, USA has the largest share in land (45.3%), population (66.4%) and GDP (84.7%). In the case of EU, in terms of the share in regional GDP, the leading countries are Germany (20.7%), France (15.4%) and the UK (15%). This implies that the size-imbalance factor is something unique in South Asia (though NAFTA can be a similar case), and it is a structural factor which is something given and very little can be done to counter it. However, this also highlights the fact that, in contrast to the leadership experience in any other comparable regional blocs (i.e. Indonesia in ASEAN and Germany in EU), there is a much more critical importance of India's leadership role in South Asia in taking the regional integration agenda forward.

The 'start-up stage' factor relates to the stage of the level of development of the region, in terms of the average per capita GDP of the region, when the process of integration gets started. Interestingly, the South Asian regional integration process started at a much lower level of per capita GDP. For a comparison, we consider 1992/1993 as the base year when ASEAN FTA was signed and when SAPTA was signed too. In 1993, in ASEAN, intra-regional trade was 19%, which increased to 24% in 2016. In contrast, in SAARC, in 1993, intra-regional trade was only 3%, which increased to 5.5% in 2016. In 1993, SAARC had the average per capita GDP of US\$ 869, in contrast to ASEAN's average per capita GDP of US\$ 7645. If we exclude the outliers in both regions (Brunei and Singapore in ASEAN and Maldives in SAARC), then in 1993, those averages would be US\$ 730 for SAARC and US\$ 1700 for ASEAN. There is no denying that both NAFTA and EU started their regional integration process at much higher average levels of per capita GDPs than that of SAARC. Until recently, SAARC hosted five LDCs (now four as the Maldives graduated from the LDC status in 2011) out of eight members. Therefore, looking at the per capita GDP differentials, one may argue that the 'pull factor' for regional integration is rather weak in South Asia. Most of the African regional trading blocs also have a similar 'start-up stage' problem, and their regional integration processes also have been unsatisfactory as we observe in SAARC. All these issues indicate that there is a need for considerable 'unorthodox' efforts for energizing the regional integration process in South Asia, which should involve a much greater emphasis on intra-regional services and investment integrations.

Finally, the 'convergence of development process' factor relates to the importance of the convergence of domestic development policies in the member countries for an effective regional integration process. In ASEAN, for decades, most of the member countries have been converging with respect to their domestic development policies related to trade openness, foreign investment, macroeconomic management and social policies, which has led to the searching for a 'Southeast Asian development model' in the development economics discourse. In contrast, in South Asia, such convergence is very weak, and, therefore, there is no such 'South Asian development model'. This weak convergence of domestic development policies of the member countries in South Asia is a major restraining factor for a deeper integration. Therefore, to energize and sustain South Asia's regional integration process, it is very important that the member countries get their domestic policies 'right'.

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Jointly Won the Amartya Sen-Mahabub ul Haq Award

Child nutrition in social safety net beneficiary households in Pakistan

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With an alarming 45 percent rate of stunting and 31 percent of children estimated to be underweight, child nutrition appears as one of the major challenges for Pakistan in achieving the SDGs. In this context, this research paper attempts to identify the links between household characteristics and child nutrition status in the households of beneficiaries of the Benazir Income Support Program (BISP) and a subset of non-beneficiaries within a similar multi-poverty index range used for BISP. Using data from a 4 round survey conducted during 2011-2016, three models are estimated including repeat cross-sectional OLS regressions of weight-to-age, height-to-age Z scores, a logistic regression of stunting and wasting binary identifiers and a pooled cross-section OLS regression of Z scores against potential explanatory variables of child characteristics, household characteristics and household head characteristics. The analysis finds strong association of child nutrition indicators in these households with child disability, incidences of diarrhea, presence of adequate sanitation facilities, asset ownership, and income shocks. Households with heads who are older, female and have better literacy are likely to have better child nutrition indicators. The paper concludes by recommending inceptive guidelines for a conditional cash transfer intervention in households identified through the National Socio-Economic Registry on the basis of a predictive index for child nutrition status.

-Won the Best Paper Award under theme 1: No Poverty, Zero Hunger, and Reduced Inequalities

Social demographic factors affecting out-of-pocket health expenditure in India

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Financial protection against health care expenditure is imperative to ensure Universal Health Coverage, which is an important constituent of the sustainable development goal of Good Health and Well-being. In India, as high as 69.1 percent of the current health expenditures is self-financed by the households through out of pocket expenses, causing an estimated 4.5 percent of the population to fall into poverty. The study titled “An Analysis of Social Demographic Factors Affecting Household Out of Pocket Health Expenditure and a Comparison of Alternative Models of Health Insurance versus Tax-Financed Health Systems in Achieving Universal Health Coverage” aims to investigate the comparative role of various social and demographic factors in affecting the household out of pocket health expenditure in India using empirical analysis. Using data from Indian Human Development Survey II (IHDS-II) 2011-12, the results of Ordinary Least Squares (OLS) regression analysis suggest that out of pocket expenditure increases with access to health insurance, indicating that demand side interventions cannot be solely depended upon for providing financial protection. Supply side constraints that exist in the Indian healthcare system have to be dealt with immediately and the government has to be the primary provider in healthcare. The study also finds that presence of chronic illnesses lead to enormous increases in out of pocket expenses and financial protection against them is crucial.

-Won the Best Paper Award (jointly) under theme 2: Good Health and Well-Being

Equity in health care: Incidence of catastrophic payments in Nepal

*Manab Prakash Poudel
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With 56 percent of total health expenditure in Nepal financed through out of pocket payments and lacking progressive health financing mechanisms, Nepal is a possible hotbed for catastrophic payments. The study titled “Equity in Health Care: Incidence of Catastrophic Payments in Nepal” aims to identify catastrophic payment prevalence in Nepalese households, as well as to examine the distribution of out of pocket payment and catastrophic payment across consumption levels, under the broader objective of identifying equity status in health care spending in Nepal. The study uses Nepal Living Standard Survey III (2010-2011) microdata to conduct the analysis. Household consumption is computed by consumption approach, while out of pocket health payment is calculated for each household for the purpose of analysis. Health financing status is further analyzed through calculating catastrophic payment headcount, share of out of pocket expenditure in total health expenditure, catastrophic payment gap, Concentration curve and Concentration index. The findings of the study suggest that despite making considerable progress in improving catastrophic payment among the poor, Nepal has a high level of out of pocket payment and catastrophic payment headcount. The study emphasizes on reducing out of pocket payments by making progressive prepayment options available to the people to ensure equitable and affordable quality healthcare in Nepal.

-Won the Best Paper Award (jointly) under theme 2: Good Health and Well-Being

What matters for the quality of education in South Asia: An empirical investigation

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While much emphasis has been put on educational attainment throughout Millennium Development Goals (MDG) period, the quality of education remained somewhat neglected. Sustainable Development Goal 4 seeks to turn global attention towards the importance of ensuring inclusive and equitable quality education for all. The study titled “What Matters for the Quality of Education in South Asia: An Empirical Examination of the Determining Factors with a QEI” proposes an index to measure the quality aspect of education, and examines the key factors determining the quality of education in South Asia. With the assistance of data from World Bank and Penn World Table, for 139 countries over a 25-year period (1990-2014), this paper endeavors to construct a multidimensional composite index- Quality of Education Index (QEI) based on the three dimensions of quality: input (HC), equity (GPI) and outcome (HC). The analysis then proceeds to find out the factors affecting this index, among three categories of variables: macroeconomic factors, infrastructural features and systematic factors. In this regard, the paper made use of Ordinary Least Squares (OLS), Random-effects GLS and Fixed-effects techniques to identify the dominant factors in a panel regression over 16 years. The study finds that public expenditure on education and infrastructural quality are two key driving forces for quality, while other factors, such as control of corruption, likewise have a part to play.

-Won the Best Paper Award under theme 3: Quality Education

Sex composition and son preference in Pakistan: An empirical investigation

*Ramsha Hisham
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In South Asian cultural context, preference for son is underpinned by social, economic and religious utilities, under which lens sons are viewed as economic supports, whereas daughters are perceived as economic burdens. In this context, the paper on “Sex Composition and Son Preference in Pakistan: An Empirical Investigation” attempts to investigate the family-level effects of son preference, as realized through differential stopping behavior, on the sex composition of the children born to ever-married women in Pakistan. Following the analysis conducted by Clark in 2000 using the comparable National Family Health Survey (NFHS) in India, this study uses data from the 2012-2013 Pakistan Demographic and Health Survey (DHS) to investigate the socioeconomic characteristics related to a higher expressed preference for sons. It also demonstrates that the two effects predicted by Clark, namely, that larger family sizes exhibit a smaller proportion of sons, and families with specific socioeconomic characteristics both want and attain a higher proportion of sons once the family size is controlled for, are evident in representative data on Pakistan. In a sample of 12,914 women, the respondent’s level of education, household wealth, and ethnicity are found to have significant impact on stated son preference in Pakistan. The study suggests that targeting the education of women as well as their economic independence may be more effective than attempting to control fertility through direct injunctions.

-Won the Best Paper Award under theme 4: Gender Equality

Inadequate sanitation as an impediment to sustainable development in South Asia

*Tamanna Tabassum
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Improved sanitation system is the most essential factor in building a hygienic environment and healthier society. Lack of improved sanitation has detrimental impacts on environment, food security, educational opportunity, women’s safety, life expectancy, human capital development and many more. The paper on “Inadequate Sanitation as an Impediment to Sustainable Development: A Qualitative Approach” shows a comparative analysis of the impact of meager sanitation condition on child mortality rate through empirical evidences and depicts how the prosperity of South Asia towards a sustainable development is hindered by unimproved sanitation. The study finds that urban areas have comparatively higher access to improved sanitation compared to rural areas across all the countries and regions around the world, with the discrimination being very condemnable in South Asian countries like Bangladesh, Nepal, Bhutan, India and Afghanistan. The study also finds a negative relationship between improved sanitation and under five child mortality rate, as improved sanitation allows safe defecation and hygienic environment, and decreases vulnerability of under five children to water borne diseases. The study suggests that meager access to sanitation causes economic degradation associated with lost income through low labor productivity, cost of treating hygiene related diseases, and reduced income from tourism which has been restricted due to contamination and disease.

-Won the Best Paper Award (jointly) under theme 5: Clean Water and Sanitation

The impact of rural water supply and sanitation on economic growth in South Asia

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The achievement of the sustainable development goal of clean water and sanitation is vital for South Asia as it is one of the most populated regions in the world; and with majority of the population living in the rural areas, access to improved water and sanitation facilities for rural people can instigate immense economic benefit for the region. In this context, the paper titled “The Impact of Rural Water Supply and Sanitation on Economic Growth in South Asia” aims to identify the impact of rural water supply and sanitation on economic growth in South Asia. A panel data analysis was conducted for four South Asian countries- Bangladesh, India, Pakistan and Sri Lanka, using annual data from the World Development Indicators database of the World Bank for the period 1990-2015. The findings indicate that the rural population’s access to improved water sources has a positive significant impact on economic growth in South Asia in the long run, and the rural population’s access to improved sanitation facilities has no significant impact on the region’s economic growth either in the long run or short run. The study recommends that South Asia should increase investments in rural water supply in order to achieve greater economic growth. It should also increase capital accumulation through better economic policies, to achieve a higher level of both rural sanitation and economic growth.

-Won the Best Paper Award (jointly) under theme 5: Clean Water and Sanitation

Open defecation in India: Causes and consequences

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India is home to more than half of the world’s population that defecates in the open, and it has seen a plodding progress in ending open defecation compared to other countries. The paper on “Open Defecation in India: Causes and Consequences” critically evaluates different reasons for the country’s dismal performance in the area of sanitation while also looking at recent research that holds cultural idiosyncrasies responsible for this. The study identifies the factors underlying the widespread open defecation in rural India, and attempts to outline its consequences on India’s economic growth through adverse impact on children’s physical growth and cognitive development. The analysis finds a high correlation between female literacy and open defecation in Indian states, with the exception of some states where similar levels of female literacy coincides with very different open defecation outcomes. Conversely, affordability of toilets, gender, lack of governance and access to water were found to have weak association with open defecation. The study emphasizes that sanitation in rural areas is deeply entrenched in cultural and social values, which makes it necessary to devise improvements in terms of perceived cultural values rather than solely focusing on epidemiological benefits and infrastructural bottlenecks.

-Won the Best Paper Award (jointly) under theme 5: Clean Water and Sanitation

Impact of energy consumption on economic growth and environment in South Asia

*Harshit Garg
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This paper aims to establish, a relationship between the use of renewable energy consumption (REC), non-renewable energy consumption (NREC) and their impact on the rate of economic growth. To empirically investigate the long-run relationships of REC and NREC in the model(s) with Carbon dioxide emissions and GDP growth rate, the model is estimated by using the Auto Regressive Distributed Lag (ARDL) method, RECI, NRECI and GDPCI are indicators that have been created for Renewable energy consumption, non-renewable energy consumption and GDP per capita. The study obtains an insignificant REC and a more significant and positive NREC with respect to CO2 emissions in both the long and short-run. In case of economic growth, both REC and NREC are found to be insignificant in the long and short-run. Fully Modified Ordinary Least Square (FMOLS) Method suggests that for all countries except Bangladesh and Maldives, NRECI is negative and significant with Energy Based Environment Performance Index (EBEPI). Similarly, with respect to GDP, both RECI and NRECI are mostly positive and significant with RECI having a greater impact on GDP than NCI. This paper introduces the concept of True Growth, using which it is found that for Afghanistan and Nepal, environmental degradation is lower than the economic growth caused by non-renewable energy consumption, which makes their True Growth negative.

-Won the Best Paper Award under theme 6: Affordable and Clean Energy

Labor standards and economic performance in Pakistan: An empirical approach

*Abdul Hadi
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This paper explores the repercussions of decent work deficits on the economic performance and productivity of four Pakistani provinces over a period of 15 years. A multitude of statistical indicators to quantify the degree of decent work by the ILO is utilized to compute a Decent Work Deficit Index (DWD). This index is subsequently utilized to enumerate the relative development of labor markets for each Pakistani province for the stipulated time period. Our study is divided into two parts. The former employs the DWD Index for gauging the relative development of provincial labor markets in Pakistan and highlights the challenges faced by each province. In addition, it tries to analyze the inherent reasons behind these differences. The latter tries to estimate the association of the work indicators on provincial economic performance over the same period to implore evidence for pro-labor development policies for augmented growth opportunities. A panel data regression is run for all provinces. The results indicate that almost 40% of the variation in a province’s economic growth is tied with the standards of decent work. All the coefficients except the low pay-rate have a negative coefficient with the growth rates. The parameter estimates for both the constant term and the DWD index are significant which indicates that the provincial government should focus on ameliorating the current status of their labour markets to reap the fruits of growth.

-Won the Best Paper Award (jointly) under theme 7: Decent Work and Economic Growth

What makes a woman stay far away from decent work in Bangladesh?

*Wasik Sajid Khan
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Inclusive and sustainable economic growth requires decent work for the labor force. Achieving ‘adequate earning’, one of the elements of decent work identified by ILO still remains a daydream especially for female workers. It is observed that several economic and socio-economic factors work as determinants in the decision of a woman on whether to work unpaid or not. This study tries to find out the factors affecting a woman’s decision to join the unpaid labour force. Selecting Bangladesh as the ground of the study, it collects the data from National Labor Force Survey- 2013. As the dependent variable in the regressions, participation in unpaid work is binary, nonlinear models are the best for estimation purpose. A profit and a multinomial logit model were run to find the factors. The multinomial logit model also helps to determine whether to switch between labor market outcomes in case of the female labour force. It is found that unpaid labor is common among rural young age uneducated or undereducated females dominated by poorly educated male household heads. This implies that child marriage works as a positive or ‘binding’ factor in influencing women to work unpaid. Other push and pull factors are also identified in the study. Therefore, female education in all stages should be encouraged and promoted as women with higher level of education are less likely to work as unpaid labor.

-Won the Best Paper Award (jointly) under theme 7: Decent Work and Economic Growth

Countering premature deindustrialization in South Asia

*Semab Rahman
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This study aimed to evaluate the role and nature of innovation in countering the recent phenomenon of premature deindustrialization in the South Asian region. The research was designed on the basis of literature reviews, which showed contending opinions relating innovation to industrialization and economic growth. A cross country regression was run using panel data from 127 countries in order to determine the effect of innovation on industrialization. The analysis spanned 6 years from 2011 to 2016. The study found the existence of a positive correlation between innovation and industrialization. An examination of the innovation scenario in South Asia using game theory revealed a conundrum – despite overwhelming incentives to innovate, the region is a consistent underperformer in innovative practices. A second regression analysis was performed which determined that economy size, international trade, tertiary education, and telecommunications infrastructure are decisive factors for boosting national innovation. This panel regression used the scores for Global Innovation Index (GII) as the dependent variable. The results indicate that the increase or decrease in national innovation depends on economy size, international trade, government priority on tertiary education and state of telecommunications infrastructure. Therefore, focusing on these areas is imperative for improving innovation, and combating the deindustrialization phenomenon in South Asia.

-Won the Best Paper Award under theme 8: Industry, Innovation, and Infrastructure

Rainwater harvesting to mitigate urban water supply crisis in South Asia

Farhana Kabir
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Sustainable water supply management is vital for the sustainable development of the urban areas of South Asia, especially because of the added pressure of the ever-increasing population, environment pollution and industrialization in this region. The main purpose of this paper is to provide an in-depth look into the practicality of using rainwater harvesting as a supplementary water supply system alongside the existing water supply to mitigate the crisis. In this paper, secondary data analysis and projected calculations have been done from various research papers, websites, journals, blogs, books, reports etc. The study area has been chosen to be Dhaka City, the capital of Bangladesh. From the projected calculations, it has been found that 11,735.642 liters of rainwater per capita can be harvested annually in Dhaka City. The projected calculations in this paper, also indicate that the annual harvested water is 10,543.826 liters/year for 2015 and 11735.642 liters/year for 2025. This paper implies that rainwater harvesting method exclusively mitigates the water management problems that urban South Asia faces and demonstrates the whole impact and policy of the project. The paper advocates for making Rainwater harvesting system installation mandatory for all new building constructions and emphasizes that rainwater harvesting is the most suitable option for urban water supply demand deficit management in South Asia.

-Won the Best Paper Award under theme 9: Sustainable Cities and Communities

Revisiting the commons: Sustainable resource management strategies in India

Rohit James Joseph
Madras University, India

This paper seeks to focus on mitigation and adaptation efforts to combat anthropogenic climate change in South Asia. The paper employs the E3-India model, a dynamic macro-econometric simulation model. Designed to assess energy and climate policy in a highly empirical structure, the model combines an accounting framework with a set of parameters that have been estimated econometrically from a detailed time-series database. Covering 28 states and 4 union territories, the E3-India model comprises of 3 modules which include Economy, Energy and Emissions. Conceptualizing anthropogenic climate change as the modern day 'tragedy of commons', the study simulates the effects—1.152% lower CO2 emissions, 2.617% lower use of coal for meeting energy needs and 2.29% lower fuel usage by 2025 of introducing a nominal 'carbon-indexed energy tax' of ₹ 400 on all fuel users. Its distributional consequences and regressive nature prompted an evaluation of the "fairness" and effectiveness of various carbon pricing strategies—quotas, cap and trade, compensation—using Hardin's analogy. Although inclusive growth and sustainable management of the commons seems elusive, local enforcement and public participation can ensure it. The paper also recommends cross-border CPR management and intra-regional cooperation (BCAs and disaster management) for long-term green growth across South Asia.

-Won the Best Paper Award (jointly) under theme 10: Climate Action, Life below Water, Life on Land

Emission control: Nudging towards a better future in Bangladesh

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South Asian nations have not yet taken significant regulatory measures against emission. The emission levels of the nations are still reasonably low compared to the rest of the world. To evaluate the future, this study attempts to forecast the Carbon Dioxide emission of Bangladesh as a representative of the whole region using Autoregressive Integrated Moving Average (ARIMA) and Vector Autoregressive (VAR) models. For this purpose, time series data for Bangladesh spanning over 43 years (1972 to 2014) has been used. The forecasting was carried out for the years 2017 to 2025. The forecasts show a growth rate of CO2 emission of around 7% on average. In 2025, the forecasted value is 7.2%. If the emissions keep increasing at this rate, emission control will become a necessity. Hence necessary action needs to be taken beforehand. The results also imply that the lax state of environmental regulation that exists in South Asia will not be enough to fulfill the SDGs therefore, regulation is required. In addition, the behavioral cause of emission is depicted through a game theoretic approach and the emission game is found to resemble the classic "Prisoner's Dilemma". Finally, the nudge theory of behavioral economics is incorporated into the payoff matrix to solve the dilemma which suggests application of nudges as a good option to reduce emissions for a safer future in case of South Asian Nations.

-Won the Best Paper Award (jointly) under theme 10: Climate Action, Life below Water, Life on Land

A case against the labour code on industrial relations bill (2015) in India

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The Labour Code on Industrial Relations Bill proposed by the Ministry of Labour and Employment in 2015, allows firms with up to 300 employees to retrench workers at will and without government permission, has reopened the long unsettled debate on what outlook on labour reforms is desirable for a developing country struggling simultaneously with low private investment and dysfunctional worker welfare programs. This paper evaluates the Bill in a historical and comparative perspective. It asserts the necessity of simplifying, streamlining and rationalizing existing statutes but is critical of clauses that seek to weaken worker protection, especially at a time of insufficient and inhospitable jobs, for they would take India further away from providing its workforce decent employment. It is put forward that, the government needs to develop credible and stable policies in order to attract greater foreign investment. All existing forms need to be streamlined into a single adaptive online form and labour laws should be shifted from the Concurrent List to the State List.

-Won the Budding Economist Competition

Snapshots of 14th SAESM 2018



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SANEM is a non-profit research organization registered with the Registrar of Joint Stock Companies and Firms in Bangladesh. Launched in January 2007 in Dhaka, it is a network of economists and policy makers in South Asia with a special emphasis on economic modeling. The organization seeks to produce objective, high quality, country- and South Asian region-specific policy and thematic research. SANEM contributes in governments' policy-making by providing research supports both at individual and organizational capacities. SANEM has maintained strong research collaboration with global, regional and local think-tanks, research and development organizations, universities and individual researchers.