Editorial Note

This *Volume 30 Issue 1 (June 2023)* is the first issue that the *Applied Economics Journal* (AEJ) is publishing online only. There have also been other changes to our journal during the first half of 2023. First, we have welcomed three new editorial board members: Professor Peter Warr from the Australian National University, Australia, Professor Arief Anshory Yusuf from Padjadjaran University, Indonesia, and Professor Phouphet Kyophilavong from the National University of Laos, Lao PDR. Second, we said goodbye and have given great thanks to our retired board members, Professor David Bessler and Professor Paitoon Kraipornsak. We are grateful to the retiring editors for their longstanding contributions to our journal and look forward to working with the new team, whose members have long and rich experiences in guiding high-quality journals in Asia. Third, we are proud to be included in the AgEcon Search at Waite Library, Department of Applied Economics, University of Minnesota. All articles published with us can now be accessed via the AgEcon Search. Fourth, we are planning to both change our title to be in line with the new TCI's ISSN criteria as well as to improve our focus and scope to be more distinctive while still maintaining our strength in publishing articles in the field of applied economics. We will keep our authors and audiences updated of this title change via an announcement on our website. Please rest assured that the journal title change will not affect our current and future submissions. The change will only improve our journal to meet international standards.

In this *June 2023* issue, there are eight articles presenting various empirical findings in applied economics. The first three articles deal with macro-aspect issues investigating linkages among financial development, economic growth, and macroeconomic stability as well as examining the connection between institutional quality and unemployment. The other five articles present micro-aspect issues in the context of the Thai economy, covering a wide range of topics from eliciting discount rates, investigating the market power of e-commerce platforms and mobile payment behaviors, consumer behavior in OTT services subscriptions for content programming, and classifying and investigating the dynamics of rural households' livelihood strategies. These articles are summarized as follows:

1) Financial Depth and Economic Growth: The Conditional Role of Party Ideology

This study aims to examine whether the impact of financial depth on economic growth depends on party ideologies. The system GMM approach is applied to the panel data of 46 middle-income countries from 1996

to 2020. The findings suggest that party ideologies play an important role in shaping the effect of financial depth on economic growth. More specifically, when right-wing governments are in power, the effect of financial depth on economic growth is positive but statistically insignificant, whereas when left-wing governments are in power, the effect is negative and significant in the long run.

2) Institutional Quality and Unemployment in OECD Nations: A Panel Causality Test Using a Fourier Function

This study examines the relationship between different institutions and their unemployment rates, considering the legal system and property rights index. A panel Fourier causality test is applied to the data of 38 OECD nations from 2000 to 2018. The findings show that a unidirectional causal relationship exists between the quality of the legal system and property rights and the unemployment rates. The policy recommendation is to improve a nation's institutional structure, particularly the legal system and property rights, to help reduce its unemployment rate.

3) Assessing The Role of Financial Development in Macroeconomic Stability: A Time-Series Analysis of Pakistan

This study aims to investigate the relationship between financial development and macroeconomic stability in Pakistan. Statistical tests such as the ADF unit root test and the modified causality test were applied to the time-series data over the period of 1980–2021. The findings show that financial depth, banking sector development, and the size of the equity market have a unidirectional causal relationship with macroeconomic stability, while the savings ratio and inflation have independent causal relationships with the macroeconomic stability. Policy implications for Pakistan and other developing countries alike point to the key role of improving the efficiency of financial systems.

4) Eliciting Individual Discount Rates in Thailand: A Tale of Two Cities

This paper aims to elicit individual discount rates from Thai citizens living in urban and rural areas, using real monetary incentives in a lab-in-the-field setting. The data were collected using questionnaires in the southern region of Thailand, i.e., Hat Yai District of Songkhla Province (representing urban society) and the Si Banphot District of Pattalung Province (rural society). The results show that discount rates for people living in a rural area are significantly lower than those living in an urban area and risk considerations are different with respect to time horizons. Policy implementations should be varied and take into account the difference between these groups.

5) Market Power of E-Commerce Platforms: Price Competition in Consumables

This article aims to prove whether or not goods purchased online are cheaper. By collecting 10,080 records of prices and shipping costs from 21 items in seven categories of consumables from two most popular e-commerce platforms in Thailand – Lazada and Shopee – as well as modern-trade retailers, it is revealed that buying goods online does not guarantee cheaper prices. The results show that consumables purchased through e-commerce platforms are different from their respective retail prices, being both higher and lower, although it is possible for consumers to find cheaper prices on such platforms. Taking into account shipping costs, prices that include shipping are higher than prices in retail stores. It is also found that e-commerce platforms have market power through their abilities to control product visibility, shipping costs, and online applications. Thus, it is imperative to devise suitable regulations for e-commerce platforms.

6) A Survey to Assess Changes in Payment Transactions via Mobile Phone Behavior During the COVID-19 Pandemic

The purpose of this study is to estimate the causal impacts of the COVID-19 pandemic on mobile payment behaviors and to examine factors underpinning such impacts. The analysis is based on a survey, which is designed to recover counterfactual outcomes, of 503 people living in Bangkok between July and August 2021. The findings suggest that the COVID-19 pandemic has significantly increased all types of mobile payment transactions. The results from the logit model indicate that such changes in mobile payment behavior are determined by different factors. The findings reflect the need to use different strategies to increase mobile payment usage to maximize the efficiency of the electronic payment system in Thailand and to help accelerate the transition to a cashless society.

7) Consumer Behavior in Subscriptions to Media Content from Over-The-Top (OTT) Services

This study examines the behavior of paying for additional OTT services for content programming. Heckman's two-step estimation is used to solve the problem of systematically selected data, combined with data from a survey of OTT service users in Thailand, which was conducted by the National Broadcasting and Telecommunications Commission in 2019. The results show that several factors, such as the users' age and occupation, content, and objectives of OTT usage, lead to a higher likelihood of choosing the free format over the paid one. The study highlights the importance of non-tariff factors in the decision-making process of users, which can be used as a competitive tool by free ad-supported OTT service providers against paid service providers. Regulatory agencies should monitor competition in the OTT service market for content programming in Thailand.

8) Examining the Dynamics of Livelihood Strategies in Rural Thailand: A Case Study of Buriram, Sisaket, Chachoengsao, and Lopburi Provinces

This study aims to provide a classification of rural households' livelihood strategies and examine their dynamics. The latent-class clustering and transition matrix are applied to balanced-panel data of rural households obtained from the Townsend Thai Project from 2000-2017. The results show that there were six strategies of which the three strategies with lowest income accounted for 70.53 percents of household sample. These households shared some common characteristics such as limited farm diversification, low farm assets, and engagement in small businesses and low-wage employment. Rural livelihood strategies exhibit considerable dynamism, with 39.86% of households transitioning to higher-ranked strategies at least once, and 24.15% descending to lower-ranked strategies over time. Policymakers should focus on boosting farm diversification and local businesses to alleviate rural poverty by adhering to dominant characteristics of each strategy group.

I hope that various papers in this issue will benefit both interested audiences and policymakers. I would also like to express my sincere thanks to our authors and our many reviewers for their time and contributions. Special thanks to the director and supporting staff at the Center for Applied Economics Research (CAER), Faculty of Economics, Kasetsart University for their longstanding support and sponsorship throughout the journal-making process. AEJ will keep on improving our quality, and we would like to invite more articles in the field of applied economics, particularly those offering solutions to real-world issues in Asia. For those who are interested in publishing an article in AEJ, please submit your manuscript via our online journal system (ThaiJo). All articles are open access, and there is no fee of any kind in all process. Please visit our website for the author guidelines and submission.

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