



Editorial Note

This issue, Volume 31, No. 1 (January-June 2024), commemorates the 31st anniversary of the Asian Journal of Applied Economics (AJAE), a respected publication from the Faculty of Economics, Kasetsart University. It is remarkable how quickly time passes. For three decades, our journal has been consistently published, and we are now entering our 31st year of sharing research findings in economics and related disciplines. The journal's journey over the past 30 years has seen its share of challenges and triumphs. Positioned as an economic journal from Thailand and not indexed in Scopus, we have faced difficulties in attracting new submissions and boosting our publication and citation numbers amidst the proliferation of academic journals. Nevertheless, we remain committed to maintaining the high standards and timely publication of our articles. We greatly appreciate your ongoing support, whether you contribute as an author, reviewer, or reader.

In this January-June 2024 issue, we present a collection of seven articles that showcase a range of empirical findings in applied economics and related fields in business administration. These articles employ economic concepts and econometric methods through various case studies in Asia, offering valuable insights into Asian economies. The first two papers use panel regression models: one highlights the economic and social benefits of ICT in reducing inequality risks in Indonesia, and the other evaluates the impact of public expenditure on economic growth in India. The next four articles use micro-level data to explore research topics in China, Taiwan, Vietnam, and Lao PDR, respectively. These studies provide practical policy implications for promoting pro-environmental behavior, enhancing sport participation and well-being, understanding CEO characteristics and stock market performance, and analyzing consumer perceptions of organic vegetables. The final paper introduces an early warning system for debt rescheduling in ASEAN countries. The summaries of these articles are as follows:

1) Can ICT Diffusion Reduce Income Inequality for a Better Life? Evidence from Indonesian Provinces

This study explores how the development of Information and Communication Technology (ICT) affects income inequality and economic growth. It finds that while improving ICT infrastructure can create economic opportunities, it may also widen wealth gaps among those with limited access. Analyzing data from 34 Indonesian provinces from 2012 to 2022, the study uses statistical methods to examine the relationship between ICT development and income inequality. Results indicate that while ICT readiness can increase income inequality, the actual use of ICT and related skills can help lessen it. Factors like wages and small/micro-

enterprises show potential in reducing income inequality, while variables such as life expectancy, population, and density tend to worsen it. The study suggests policymakers integrate the social and economic benefits of ICT into strategies to combat income inequality in Indonesia.

2) Threshold Impacts of Public Expenditure on Economic Growth: Insights from India Utilizing Panel Threshold Regression Model

This study investigates how public expenditure dynamics affect economic growth across six distinct regions of India using Hansen's panel threshold regression model. Analyzing data from 1999–2000 to 2018–19, it finds significant regional variations in the relationship between public expenditure and economic growth. The Northern, Western, and North-Eastern regions show a singular threshold impact, suggesting that surpassing this threshold may not positively affect economic growth and could result in fiscal imbalances. Conversely, the Central, Eastern, and Southern regions display no threshold effect. Additionally, the study reveals that the optimal expenditure threshold is higher for the North-eastern region compared to the Northern and Western regions, reflecting higher expenditure requirements. However, when considering India as a whole, no threshold effect is observed, indicating a consistent impact across all regions. The findings emphasize the importance of policymakers' attention to optimal expenditure levels to address long-term budgetary imbalances and promote inclusive growth.

3) The Influence of Economic Development and Government Investment on Pro-Environmental Behavior in China

This study examines differences in public participation in environmental protection in private and public spheres using data from the Chinese General Social Survey (CGSS) 2021. Multiple regression analysis identifies factors influencing pro-environmental behavior and explores the relationships between pro-environmental behavior, government investment, and economic development. Findings indicate that economic development positively impacts pro-environmental behavior in the private sector, while government work effectiveness enhances it, and government pollution governance negatively affects it in the public sector. The study highlights that individual characteristics, external environments, and social psychological factors differentially influence public pro-environmental behavior. These insights can guide the development of policies to enhance public participation and environmental management in China.

4) Effect of Sports Participation on Subjective Well-Being: Instrumental Variable Results from Microdata

This study uses individual-level data from Taiwan's "Exercise Current Situation Survey" in 2019 to examine the impact of sports participation on subjective well-being. It employs perceptions of the government's sports promotion and adequacy of sports facilities as instrumental variables (IVs) and utilizes a two-stage Poisson

regression (2sPR) model for analysis. The findings suggest that sports participation significantly boosts personal subjective well-being. Gender-specific regressions indicate that men derive more well-being from sports participation than women. Additionally, variables such as body mass index (BMI) and years of schooling positively influence subjective well-being, while age, urbanization, and health status have significant negative effects.

5) The Moderating Role of CEO Age on the Relationship Between CEO Characteristics and Tobin's Q

This study examines how chief executive officer (CEO) characteristics influence the Tobin's Q value of firms, with a focus on the moderating role of CEO age. Tobin's Q is used to assess the market efficiency of listed companies. Analyzing data from 380 listed companies on the Vietnam stock market from 2013 to 2022, the study employs pooled OLS, fixed effects, and random effects models regressions. The results reveal that firms led by male CEOs have a negative impact on Tobin's Q value. Interestingly, companies with CEOs owning less than 1% of the stock demonstrate higher market efficiency than those with CEOs owning 1% or more. Conversely, dual CEOs negatively affect firms' market performance. Moreover, CEO age moderates the relationship between CEO tenure and Tobin's Q value, strengthening the impact, while weakening the effect of CEO duality on market efficiency. The findings underscore the importance of separating the CEO and board chairperson positions in listed companies and highlight the need for investors to consider governance structure and CEO-related issues when making investment decisions to minimize risks and maximize returns. Additionally, regulatory bodies like the State Securities Commission should enforce strict regulations on listed companies that violate information disclosure guidelines for the stock market.

6) Consumer Perception and Willingness to Pay for Organic Vegetables in Savannakhet Province, Lao PDR

This research aimed to investigate consumer attitudes and willingness to pay (WTP) for organic vegetables in Savannakhet province, Lao PDR. Data from 368 respondents were gathered through a structured questionnaire and analyzed using descriptive statistics, contingent valuation method, and logit models. Findings revealed that 60.30% of tested fresh vegetables were free from chemical contamination. Around 35.29% of consumers reported regular weekly purchases of organic vegetables, with an average consumption of 3.78 ± 2.45 kg/week, priced between 0.37 USD and 3.09 USD. Consumers favored organic vegetables for their perceived health benefits and quality, with 98.53% expressing future demand. The mean WTP for organic vegetables was 1.14 USD per 1 kg. Bid premiums had a negative impact on WTP for lettuce, glory, and mint products, while occupation showed a negative correlation with WTP for Chinese cabbage and onion.

7) Modelling Early Warning System for Debt Rescheduling in ASEAN Countries

This study aims to create an early warning system for debt rescheduling in ASEAN countries using yearly time series data from 1999 to 2019. Utilizing the logit model and debt rescheduling data from The World Bank's

International Debt Statistics database, the study identifies four key variables for the early warning system: the unemployment rate, concessional debt to total debt, external debt over GDP, and international reserve to short-term debt. Remarkably, with a cutoff value of 0.5, the model achieves high predictive accuracy, with a Type II error rate of 10 percent and a Type I error rate of only 4.1 percent. Overall, the early warning system demonstrates the capability to accurately predict debt rescheduling events 80 out of 84 times.

I am confident that the articles in this issue will greatly benefit both engaged readers and policymakers. I would like to extend my heartfelt appreciation to our late editor, Dr. Kanchana Sripruetkiat, who dedicated four years to our journal before moving on to new endeavors. Additionally, I am deeply grateful to the Center for Applied Economics Research (CAER) at the Faculty of Economics, Kasetsart University, for their unwavering support and sponsorship throughout the journal's production. Lastly, I would like to thank ChatGPT4o for assisting with the proofreading.

There is a small request we would like to make to our valued authors. Our journal does not charge any fees, and we are fortunate to have the support of the CAER. However, there are still costs involved in the review process. We kindly ask authors to respect our community by submitting manuscripts that are thoughtfully prepared. Please review the author guidelines on our website to help streamline the process and enhance your manuscript's quality.

AJAE remains committed to enhancing our standards, and we extend an open invitation for more articles within the realm of applied economics, particularly those offering pragmatic solutions to real-world challenges in the Asian context. For those considering publication in AJAE, we encourage you to submit your manuscripts via our online journal system (ThaiJo). All articles remain accessible through open access, and there are no associated fees throughout the entire process. For detailed author guidelines and submission instructions, please visit our website.

Waleerat Suphannachart

Editor-in-Chief