

ISSN: 2162-2078

Vol. 4, No. 6, June 2014



Scientific
Research

Theoretical Economics Letters



ISSN: 2162-2078



www.scirp.org/journal/tel

Journal Editorial Board

ISSN: 2162-2078 (Print), 2162-2086 (Online)

<http://www.scirp.org/journal/tel/>

Editor-in-Chief

Prof. Moawia Alghalith

University of the West Indies, Trinidad-and-Tobago

Associate Editors-in-Chief

Prof. Robert Chambers

University of Maryland, USA

Dr. Fariba Hashemi

Applied Economics Research, Switzerland

Prof. Eliakim Katz

Northern Illinois University, USA

Prof. Haim Levy

Hebrew University, Israel

Prof. Wing-Keung Wong

Hong Kong Baptist University, China

Prof. Yong J. Yoon

George Mason University, USA

Editorial Advisory Board

Prof. Michael McAleer

Erasmus University Rotterdam, The Netherlands

Honorary Editorial Board

Prof. Frank J. Fabozzi

EDHEC Business School, France

Associate Editor

Prof. Raouf Boucekkine

Université catholique de Louvain, Belgium

Editorial Board

Prof. Samir Amine

Université du Québec en Outaouais and CIRANO, Canada

Dr. Min An

University of Birmingham, UK

Dr. Miguel Gómez de Antonio

Complutense University, Spain

Prof. Kyung Hwan Baik

Sungkyunkwan University, South Korea

Dr. Stefan Behringer

Universität Heidelberg, Germany

Dr. Francesca Busetto

Università degli Studi di Udine, Italy

Prof. Chia-Lin Chang

National Chung Hsing University, Chinese Taipei

Prof. Youngsub Chun

Seoul National University, South Korea

Dr. Wei Cui

Peking University, China

Dr. Tian-Shyr Dai

National Chiao Tung University, Chinese Taipei

Prof. Ardeshtir Dalal

Missouri State University, USA

Prof. Martín Egozcue

University of Montevideo and FCS UDELAR, Uruguay

Prof. William Douglas Evans

George Washington University, USA

Prof. Catalina García García

University of Granada, Spain

Prof. Ulf-Göran Gerdtham

Lunds University, Sweden

Prof. Sayantan Ghosal

Glasgow University, UK

Dr. Richard W. Gortvett

University of Illinois, USA

Dr. Zhengfeng Guo

Vanderbilt University, USA

Dr. Andreas Kern

Georgetown University, USA

Dr. Guoying Luo

McMaster University, Canada

Dr. Qinglai Meng

Oregon State University, USA

Prof. Birendra Mishra

University of California, USA

Prof. Kazuo Nishimura

Kyoto University, Japan

Dr. Gerald Pech

KIMEP, Kazakhstan

Dr. Gareth W. Peters

University of New South Wales, Australia

Dr. Inguruwatt M. Premachandra

University of Otago, New Zealand

Prof. Indrajit Ray

University of Birmingham, UK

Prof. Manuel Sanchis

University of Valencia, Spain

Prof. Victor J. Tremblay

Oregon State University, USA

Prof. Mich Tvede

Newcastle University Business School, UK

Prof. Makoto Yano

Kyoto University, Japan

Table of Contents

Volume 4 Number 6

June 2014

Exchange Rates, Macroeconomic Fundamentals and Risk Aversion	
R. Laborda, J. Olmo.....	363
Conditions for the Upper Semicontinuous Representability of Preferences with Nontransitive Indifference	
G. Bosi, M. Zuanon.....	371
Trading Responses to Negative Signals	
M. W. Zikiye, R. Abraham, C. Harrington.....	378
Work and Income Sharing in a Rural Economy: Effect on Economic Growth and Welfare	
N. Iwai, S. R. Thompson.....	386
Privately Held or Publicly Owned? Large Shareholders and Corporate Control	
A. Toukan.....	397
Revenue Sharing in a Sports League with an Open Market in Playing Talent	
S. Dobson, J. Goddard.....	410
A Probabilistic Theory for Intertemporal Indifference	
M. B. Y. Parouty, M. J. Postma.....	415
The Equilibrium Allocation of Creative Capital to R&D in a Dynamic Creative Region	
A. A. Batabyal, H. Beladi.....	425
Socially-Optimal Locations of Duopoly Firms with Non-Uniform Consumer Densities	
K. J. Meagher, E. G. S. Teo, T. J. Xie.....	431
Space Research of China's Industry Structure and Employment Structure Coordination Degree	
J. J. Shan, T. Q. Miao.....	446
Welfare Perceptions of Public Expenditure on Environmental and Non-Environmental Goods	
Q. Ong, E. Quah.....	457

Choosing Wisely and Sharing Cost: A Multi-Bidding Cost Sharing Mechanism

Y. Kamijo.....465

Economic Growth and Poverty: Pro-Poor Growth? In the Republic of Congo

N. E. Victorie.....472

Economics as a Science of the Human Mind and Interaction

M. Fast, F. Hertel, W. W. Clark II.....477

Trade, Technology, Income Distribution and Growth

H. Zuleta, L. Pogorelova.....488

On Price and Income Effects in Discrete Choice Models

P. Delle Site.....497

Note on Fully Modified Estimation for Three-Regime Threshold Cointegration Model

C.-H. Wang.....506

Theoretical Economics Letters (TEL)

Journal Information

SUBSCRIPTIONS

The *Theoretical Economics Letters (TEL)* (Online at Scientific Research Publishing, www.SciRP.org) is published bimonthly by Scientific Research Publishing, Inc., USA.

Subscription rates:

Print: \$79 per issue.

To subscribe, please contact Journals Subscriptions Department, E-mail: sub@scirp.org

SERVICES

Advertisements

Advertisement Sales Department, E-mail: service@scirp.org

Reprints (minimum quantity 100 copies)

Reprints Co-ordinator, Scientific Research Publishing, Inc., USA.

E-mail: sub@scirp.org

COPYRIGHT

COPYRIGHT AND REUSE RIGHTS FOR THE FRONT MATTER OF THE JOURNAL:

Copyright © 2014 by Scientific Research Publishing Inc.

This work is licensed under the Creative Commons Attribution International License (CC BY).

<http://creativecommons.org/licenses/by/4.0/>

COPYRIGHT FOR INDIVIDUAL PAPERS OF THE JOURNAL:

Copyright © 2014 by author(s) and Scientific Research Publishing Inc.

REUSE RIGHTS FOR INDIVIDUAL PAPERS:

Note: At SCIRP authors can choose between CC BY and CC BY-NC. Please consult each paper for its reuse rights.

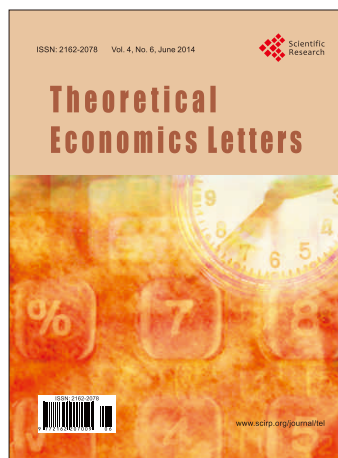
DISCLAIMER OF LIABILITY

Statements and opinions expressed in the articles and communications are those of the individual contributors and not the statements and opinion of Scientific Research Publishing, Inc. We assume no responsibility or liability for any damage or injury to persons or property arising out of the use of any materials, instructions, methods or ideas contained herein. We expressly disclaim any implied warranties of merchantability or fitness for a particular purpose. If expert assistance is required, the services of a competent professional person should be sought.

PRODUCTION INFORMATION

For manuscripts that have been accepted for publication, please contact:

E-mail: tel@scirp.org



Theoretical Economics Letters (TEL)

ISSN 2162-2078 (Print) ISSN 2162-2086 (Online)
<http://www.scirp.org/journal/tel/>

Theoretical Economics Letters (TEL) seeks high quality short papers in all topics in economic theory and mathematical economics. It also considers papers that empirically or experimentally test existing theories or assumptions. In addition, there is a section for work-in-progress, limited to one page.

Editor-in-Chief

Prof. Moawia Alghalith

University of the West Indies, Trinidad-and-Tobago

Subject Coverage

All manuscripts must be prepared in English, and are subject to a rigorous and fair peer-review process. Accepted papers will immediately appear online followed by printed hard copy. The journal publishes original papers including but not limited to the following fields:

- Econometric Theory
- Experimental and Behavioral Economics
- Macroeconomic Theory
- Mathematical Economics
- Mathematical Finance
- Microeconomic Theory

We are also interested in: 1) Short Reports—2-5 page papers where an author can either present an idea with theoretical background but has not yet completed the research needed for a complete paper or preliminary data; 2) Book Reviews—Comments and critiques.

Notes for Intending Authors

Submitted papers should not have been previously published nor be currently under consideration for publication elsewhere. Paper submission will be handled electronically through the website. All papers are refereed through a peer review process. For more details about the submissions, please access the website.

Website and E-Mail

<http://www.scirp.org/journal/tel> E-mail: tel@scirp.org