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ABSTRACT OF ARTICLES
Abstract

The Value of Improvement in Air Quality by Reducing Sulfur Dioxide Gas (SO₂) Emitted from Sarcheshmeh Copper Complex: One-and-one-Half-Bound Dichotomous Choice Contingent Valuation Approach

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Abstract

Sarcheshmeh copper complex is one of the largest industrial-mining complexes in the world and is the largest copper producer in Iran. Despite this, a huge amount of SO₂ gas is produced and enters the environment in this complex. Therefore, this study investigates the value of improvement in air quality and estimates the marginal willingness to pay curve. For this purpose, OOHB DCCV method has been used. A sample of 2158 households was chosen, based on the stratified sampling method. The respondents’ WTP was then elicited through a series of face-to-face interviews. Results showed that 87.3% of the respondents were able to express a positive WTP for the reduction of SO₂ emission from this complex and the improvement in air quality worth 719252.75$ for the regional people. Estimated marginal willingness to pay curve has a rising positive slope. This curve can be a useful tool for policy makers on the use of economic instruments (e.g. tax and subsidies) to control this pollutant.

JEL Classification: C14, H43

Keywords: Contingent valuation, OOHB method, Sarcheshmeh copper complex, SNPDF estimator, SO₂
Overeducation Factors and Its Return in Iran

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Abstract
In the recent decade, supply of labour force has increased which may causes the overeducation. Overeducation is potentially costly for any economy. In this study, we examine the effective factors on overeducation, undereducation and returns of years of schooling, by using the mean realized match method, over ISCO classification data from household socio-economic survey in year 2003 using Logit,Mincer and ORU model. We found that in the mincer model returns of every years of education is equal to 8.5% and in ORU model Retuns of required education 11.5%, returns of overeducation 9.9% and also returns of undereducation is -3.55%.

JEL Classification: J24, I21

Keywords: Overeducation, Undereducation, Returns of education, Mincer model, ORU model

1. This paper, master thesis, entitled "The relationship between level of education and efficiency" is derived.
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Endogenous Tariff Hypothesis: A Case of Iran

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Abstract

According to endogenous tariff hypothesis, tariff is endogenously determined by the set of political economy factors. Using the Co-integrated VAR approach and in the framework of the hypothesis, the present study examined the determinants of tariff protection in Iran over the period 1971-2010.

Based on the results, though no evidence has been obtained about the impact of unemployment and import penetration rate on forming protection policies in Iran but the significant effect of non oil product, the share of industrial sector, the share of oil income and real exchange rate indicate the importance of political economy atmosphere and economic factors in forming the policies. In sum, the hypothesis is verified and in this framework, we suggest that we should pay more attention to the role of the factors effecting economic liberalization policies as well as the reduction of dependency on oil income and government size in order to increasing the success and continuation of the policies.

JEL Classification: D72, F17, F14, F13.

Keywords: Endogenous tariff, Lobby groups, Protection seeking, Co-integrated VAR, Iran

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Abstract
Knowing income inequality in socio-economic subgroups helps us to achieve justice. The main goal of this study is to evaluate, decompose and compare the Theil and Atkinson inequality indices in terms of the inequality within and inequality between urban and rural area in Tehran province during the 3rd and the 4th Economic Development Program of Iran. Doing so, we used the micro households' data along 2000 till 2007. The results show that the contributions of inequality within Tehran Province were respectively belong to urban area, rural area and between them inequality. The results of analyse of Variance represent no statistical significance in the seemed difference between inequality at the first three years of the 3rd and the 4th Iran's Economic Development Program. According to these, reducing inequality in Tehran province needs to focus on inequality within Urban Areas.

**JEL Classification**: D63, R13, R20.

**Keyword**: Atkinson Index, Theil Index, Province of Tehran, Income distribution, Decomposition.

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The Main Factors Affecting the Fair Wage, in Akerlof’s

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Abstract
Given the lack of comprehensive explanation about the effective factors of fair wages and a complete mismatch between Labor Force and employers about that, in this paper we are trying to complete the missing loupes in the Akerlof theory "fair wages-effort Hypothesis", and in result possibility of practical realization of the fair wage on productivity will provided. In this regard, after the theoretical analysis and testing the Akerlof theory, multiple factors affecting the determination of fair wages, through qualitative interviews, and questionnaires completed by representatives from labor & employers groups and academic experts on the labor market, is measured. With using software SPSS17 and EXCEL, constitutive factors of fair wages and the priority of those factors in Iran were tested.

JEL Classification: J83, J31, J24, D63, C38.

Keywords: Fair wages, Wage clearing Market, Akerlof, Productivity, Labor, Employers.
Using a Choice Experiment Survey to Estimate Iranian Households' Willingness to Pay to Avoid Power Outages

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Abstract
Using a choice experiment survey, the marginal willingness to pay (WTP) among Iranian households to avoid power outages is estimated. The results indicate that households prefer lower price of alternatives and the low duration and frequency of outages. In addition, outage day, outage time and warning in advance of outage are important factor to households' preferences. Moreover, the conditional logit model with interaction effects of SED variables allows us to explain the unobserved heterogeneity of preferences. The results of this model show that the marginal WTP increases with increasing of household's expenditure, Age of respondent and electricity consumption in the last period. Given that households have negative welfare effects from outages, it is important that policy makers consider these negative impacts on household utility when deciding about reliability of electricity network.

JEL Classification: C25; C93; D12; Q41

Keywords: Choice Experiment method; Power outages; Conditional logit; Willingness to pay

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Evaluating and Comparing of Monetary Policy Instrumental Rules for Economic of Iran

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Abstract
Today, the discussion of regularity monetary policy in achieving inflation and output gap stabilization targets is important. In this paper, we investigated the persistence of output gap in Iranian economy. Using a hybrid New Keynesian model over the period 1990:1- 2011:3, we compared three alternative instrumental rules in monetary policy.

The results indicated that in Iranian economy, first, output gap is forward-looking and has little degree of persistence. Second, inflation targeting rule in comparison with the price level and speed limit targeting rule has the lowest social loss. In addition, the result of estimating coefficients under alternative rules showed that in comparison with other instrumental rules, inflation targeting and the first equation of price-level targeting have well predicting power, especially in long-term forecasting horizons.

JEL Classification: E47, E52, E58

Keywords: Instrumental rules, Monetary policy, the persistence of the output gap, Hybrid New Keynesian model, Iranian economy

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Abstract
One of the most important variables in each country which attracts the attention of policymakers is inflation. In the inflation targeted system, it is important to target the low and stable inflation clearly and directly as the main policy. On the other hand the stability of prices which is an important result of targeted inflation is a necessary condition to achieve sustainable levels of economic growth. On this ground we are going to study the targeted inflation proportional to economic growth during the Fourth Economic Plan by applying optimal control method. The objective function here is the social loss function which will be minimized through genetic algorithms in the form of binding function of GA. The constraint of the function will be estimated by econometric of Seemingly Unrelated Regressions. To measure the impact of control variables on variables of situation we plan different scenarios. As a result we will see that during the 4th Development Plan tools of monetary policy are more influential than the tools of financial policy.

JEL Classification: E31, C61, C13

Keywords: Inflation targeting, Economic growth, Optimal control, Genetic algorithm, the social loss function

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The Role of Agricultural on Regional Integration in the ECO Countries

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Abstract
In present study, role of agricultural on regional integration of ECO countries was assessed in dynamic panel data model. At first, the integration of ECO countries and effect of agricultural sector in integration acceleration was surveyed by generalized method of moments (GMM) over the period 1996-2011. Results showed that, this is integration between ECO countries. In spite of increasing regional growth, the agricultural sector had negative effect in integration acceleration; and it caused decreasing regional integration speed. Therefore, it was suggested to ECO countries with development of agricultural sector and restrictions contained in this section could provide clear perspective for the future planning in order to promote regional integration.

JEL Classification: C51, F13, F15, Q17

Keywords: Regional integration, ECO countries, Agricultural sector.
A Cooperative Game between Gas Exporting Countries Forum (GECF) Members in LNG Export

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Abstract
Establishment of the Gas Exporting Countries Forum (GECF) in Tehran in 2001 was one of the most important events in the gas market. GECF has a considerable share in the world Liquefied Natural Gas (LNG) trade. The evidences show that current routes of LNG trade are not optimal. Hence, in this paper we examine the development of cooperative strategies between countries exporting LNG and members of GECF. To follow this goal, first, we study the status of GECF members in the gas market, and then using a simple linear programming approach we find the optimal LNG trade routes for them. The numerical results suggest that, in the absence of geopolitical problems, this cooperative strategy will probably be a rational move for all of the LNG exporters. The problem of gain sharing is then formulated using cooperative game theory concepts.

JEL Classification: L71, C71

Keywords: Game theory, Cooperative game, Gas exporting countries forum, Liquefied natural Gas