AUCO Czech Economic Review 3 (2009)
Acta Universitatis Carolinae Oeconomica

Editorial

The current issue of our review offers three pieces of scholarly research from a number of academic subfields, as well as one policy article relevant to both academia and professional economists.

In the opening article, Matti Viren (University of Turku and Bank of Finland) asks a classic tax incidence question: namely how consumption taxes, especially the value-added tax, affect consumption prices; his estimates are based on data from EU countries for the 1970–2004 period. He also carries out a bonus exercise with Finnish excise taxes using commodity/outlet level micro data for the early 2000s. Viren concludes that more than one half of a tax increase shifts to consumer prices, whereas there is less evidence on shifts to the producer's prices.

Vito Fragnelli (University of Eastern Piedmont) and Maria Erminia Marina (University of Genova) jointly contribute with an article on "Strategic Manipulations and Collusions in Knaster Procedure." The Knaster procedure is a very appealing division procedure, but is not individual strategy-proof; a particular question is to what extent it is also coalitional strategy-proof. The article shows that, given the construction of Knaster procedure, a coalition always cashes in a safe gain by simply agreeing on increasing each member's declared valuations up to the highest individual value in the group.

Milan Zelený (Fordham University) asks whether system design or redesign could help to eliminate tradeoffs in multidimensional decision making, thereby allowing for a choice that would be immune to the construction of a decision objective. In his article "On the Essential Multidimensionality of an Economic Problem: Towards Tradeoffs-Free Economics," Zelený applies de novo programming, through which the feasible set can be redefined towards an optimal, tradeoffs-free configuration. Some numerical examples are given in order to illustrate system-design calculations in linear systems.

The introduction of a policy discussion section has already been announced in the previous issue, and now as promised we present a first article entitled "Monetary Policy Strategies before Euro Adoption: The Art of Chasing Many Rabbits." Therein, Juraj Antal (Czech National Bank) and his coauthors deal with the long-lasting policy issue of monetary policy tradeoffs in a country prior to euro adoption. Their general message, nicely questioning the above-mentioned analysis, is that tradeoffs for a euro-candidate country exist, and several options still remain on the table. The feasibility of all three options to a great extent depends on the credibility of the overall macroeconomic environment.

In the policy discussion section, we shall review articles on a slightly different basis than regular articles: A candidate topic primarily has to be of current policy interest, must deliver policy recommendations (or address ongoing policy puzzles), and maintain a strong link to academic literature, especially in terms of empirics. This is arguably a challenging task, hence we expect to publish articles including a maximum of one single policy discussion per article. We invite authors to come up with original articles for this growing segment.

Regarding the development of the journal, there have been a couple of improvements on our homepage, including download counts, indexing links and a full list of referees that will be updated annually. The list helps to demonstrate the width and complexity of the network of our referees, currently with peers from research and teaching institutions in 19 countries. The journal aims to do its best in promoting published articles, either by its homepage (where the articles attract attention that includes up to 800 abstract views), Econlit, EBSCO, RePEc, and other indexing and abstracting services. That said, a journal is primarily created by the vital and honest interest of its readership, as well as the economics community as a whole.

I wish you enjoyable reading and inspiration for further research. On behalf of all our editors, I look forward to receiving your articles.

Martin Gregor, Co-Editor