In India, the Golden Quadrilateral highway network connects four major cities. This study of the relationship between the infrastructure project and development of the local financial sector finds that, in districts along and near the GQ, initial levels of financial development shaped how, and where, infrastructure investment could jumpstart real economic activity.

Online sellers in many emerging markets are in the early stages of a shift from cash-based payments to digital payments. Findings from this study of a leading Indian online retailer show that firms may enjoy gains from consumer demand on top of operational gains resulting from payment digitization.

More and more nontechnology companies are adopting digital technologies like AI, data analytics, and machine learning. This study of the economic performance of nontech firms adopting new digital technologies finds a persistent future increase in valuation. However, investors only slowly incorporate the value implications of digital activities into prices. Nontech companies with senior executives with tech talent improve performance more than those without.

Investors’ biases and market outcomes affect each other in a two-way feedback loop. This study develops a model of a credit market feedback loop, finding that when investors become more bullish this can predict positive returns in the short run, even if expected returns become more negative at longer horizons.

Consumer inertia is the tendency of some customers to buy a product, even when superior options exist. Alexander J. MacKay discusses how that habit affects competitive strategy and even regulatory oversight.  
   
 Open for comment; 5 Comments posted.

It's becoming more difficult for investors to sue corporate auditors. The result? A weakening of trust in US capital markets, says Suraj Srinivasan.  
   
 Open for comment; 2 Comments posted.

Without the burden of student loan debt, people seek higher-paying careers, stabilize their finances, and contribute to the economy, says Marco Di Maggio.  
   
 Open for comment; 53 Comments posted.

Are product sales affected by the CEO's stance on political and social issues? Michael Toffel and Aaron Chatterji study how consumers react to vocal chief executives.  
   
 Open for comment; 3 Comments posted.

Since the 2008 financial crisis, bank boards have not improved their cultural or gender diversity compared to other companies, nor are they better qualified than before the crisis. Outside directorships of bank directors and the extent of CEOs also being Chairman also remains the same. However, there is some evidence of better risk oversight both from managers and the board.

Mobile payment apps help us keep track of shared costs but may also frustrate personal relationships. Research into perceived pettiness by Tami Kim, Ting Zhang, and Michael I. Norton.  
   
 Open for comment; 7 Comments posted.

Amazon's power in the retail sector puts price pressure on what competitors charge, with implications for how federal regulators govern inflation, says Alberto F. Cavallo.  
   
 Open for comment; 1 Comment posted.

Innovative about creating new products, entrepreneurs often lose imagination when it comes to funding their dreams. Andy Wu reveals alternatives beyond friends and family.  
   
 Open for comment; 7 Comments posted.

In the new book Fintech, Small Business, & the American Dream, Karen Mills describes how technology is opening up new capital for entrepreneurs. Around the corner: The transformative benefits of AI and big data.  
   
 Open for comment; 1 Comment posted.

SUMMING UP. Readers lined up to comment on James Heskett's question on whether federal deficit spending as supported by Modern Monetary Theory is good or evil.  
   
 Open for comment; 32 Comments posted.

This paper challenges the logic that making it easier for consumers to search across a wide assortment of products is the best strategy for online retailers. Experiments show that adding extra search costs to find discounted items can improve gross margins and sales by increasing the number of items inspected and serving as a self-selecting price discrimination mechanism among customers.

The financial crisis of 2007-2008 revived academic interest in price bubbles but many conceptual questions remain open. This paper generates insights into the structure of asset price bubbles by modeling beliefs from fundamental psychological assumptions, and combining this with standard neoclassical mechanisms, such as learning from prices and speculation.

Going public has no effect on workforce diversity, according to this study comparing changes in firms’ ownership type with longitudinal data on employment. For workforce diversity, the time to make a difference is probably not after an initial public offering but rather in the years just after firm founding.

The popularity of green bonds as a way to finance environmentally friendly projects is on the upswing, say Malcolm Baker and George Serafeim.  
   
 Open for comment; 2 Comments posted.

Between 2012 and 2017, companies within most industries adopted an increasingly similar set of sustainability practices. This study examines the interplay between common and strategic practices. This dynamic distinction helps for understanding whether and how sustainability practices can help companies establish a competitive advantage over time.

Since 1990, new stock exchanges geared toward fast-growing, entrepreneurial companies have proliferated around the world. This analysis shows that exchanges in countries with better shareholder protection allowed younger and less profitable companies to raise more capital. These markets alone cannot boost entrepreneurial activity but need enabling institutions.