## Inhalt / Contents

### Abhandlungen / Original Papers

<table>
<thead>
<tr>
<th>Author</th>
<th>Title</th>
<th>Pages</th>
</tr>
</thead>
<tbody>
<tr>
<td>Flaig, Gebhard</td>
<td>Why We Should Use High Values for the Smoothing Parameter of the Hodrick-Prescott Filter</td>
<td>518–538</td>
</tr>
<tr>
<td>Bessey, Donata, Uschi Backes-Gellner</td>
<td>Staying Within or Leaving the Apprenticeship System? Revisions of Educational Choices in Apprenticeship Training</td>
<td>539–552</td>
</tr>
<tr>
<td>Kluth, Sebastian, Martin Gasche</td>
<td>Ersatzraten in der Gesetzlichen Rentenversicherung</td>
<td>553–583</td>
</tr>
<tr>
<td>Mertins, Vanessa, Max Albert</td>
<td>Does Participation Increase Outcome Acceptance? Evidence from a Power-to-take Experiment</td>
<td>584–607</td>
</tr>
<tr>
<td>Shahrin, Aidil Rizal</td>
<td>Does the Forward Discount Represent a Long Memory Process or Short Memory Process with Multiple Changes in the Mean?</td>
<td>630–641</td>
</tr>
<tr>
<td>Wagner, Martin, Jaroslava Hlousková</td>
<td>Growth Regressions, Principal Components Augmented Regressions and Frequentist Model Averaging</td>
<td>642–662</td>
</tr>
</tbody>
</table>

### Buchbesprechungen / Book Reviews

<table>
<thead>
<tr>
<th>Author</th>
<th>Title</th>
<th>Pages</th>
</tr>
</thead>
<tbody>
<tr>
<td>Piketty, Thomas</td>
<td>Capital in the Twenty-first Century</td>
<td>663</td>
</tr>
<tr>
<td>Trautwein, Hans-Michael (Hrsg.)</td>
<td>Die Entwicklung der Raumwirtschaftslehre von ihren Anfängen bis in die Gegenwart</td>
<td>664</td>
</tr>
<tr>
<td>Coyle, Diane</td>
<td>GDP: A Brief but Affectionate History</td>
<td>667</td>
</tr>
</tbody>
</table>

Bandinhalt des 235. Jahrgangs
Contents of Volume 235
Why We Should Use High Values for the Smoothing Parameter of the Hodrick-Prescott Filter

Gebhard Flaig
University of Munich

JEL C22; C52
Hodrick-Prescott filter; Wiener-Kolmogorov filter; smoothing parameter; trends; cycles.
Received: 22.10.2013
Revision received: 05.06.2014
Accepted: 03.08.2014

Summary
The HP filter is the most popular filter for extracting the unobserved trend and cycle components from a time series. Many researchers consider the smoothing parameter $\lambda = 1600$ as something like a universal constant. It is well known that the HP filter is an optimal filter under some restrictive assumptions, especially that the “cycle” is white noise. In this paper we show that we can get a good approximation of the optimal Wiener-Kolmogorov filter for autocorrelated cycle components by using the HP filter with a much higher smoothing parameter than commonly used. In addition, a new method – based on the properties of the differences of the estimated trend – is proposed for the selection of the smoothing parameter.
Staying Within or Leaving the Apprenticeship System? 
Revisions of Educational Choices in Apprenticeship 
Training

Donata Bessey
Yonsei University, EastAsia International College

Uschi Backes-Gellner
University of Zurich, Department of Business Administration and Swiss Leading 
House on Economics of Education Firm Behavior and Training Policies

JEL I21; J24
Apprenticeship training; human capital; dropouts.
Received: 22.11.2013
Revision received: 31.05.2014
Accepted: 24.09.2014

Summary

The decision to revise an educational choice has hardly been analyzed in previous research. 
Dropping out is only one possible choice, and we distinguish between dropping out (leaving 
The apprenticeship system) and changing or upgrading (staying within the apprenticeship system) 
as three possibilities to revise an educational decision, using a dataset that consists of appren-
tices who have dissolved their apprenticeship contract. We analyze the determinants of leaving 
apprenticeship training using competing risks models. Dropout decisions seem to be driven by 
financial considerations such as financial distress, but local labor market conditions seem to 
have no effect on them. Our findings underline the importance of distinguishing between the 
different choices instead of focusing exclusively on dropping out.
Summary

This paper aims to find an adequate concept to evaluate the replacement rate of the latest retiree generation of 2010. Classic replacement rates fail to provide meaningful conclusions because they can only be calculated for around half the retirees. This paper proposes an alternative figure, the so-called life cycle replacement rate, which relates individuals’ pension payments to the average real income over their whole working history. In sum, work history related characteristics like marital status, income or retirement age strongly influence individuals’ replacement rates. Furthermore, women’s replacement rates particularly benefit from non-contribution based pension entitlements, e.g. for periods of child-raising.
Does Participation Increase Outcome Acceptance? 
Evidence from a Power-to-take Experiment

Vanessa Mertins  
University of Vechta

Max Albert  
JLU Giessen

JEL C72; C91; D03; D63
Participatory decision making; voice; player types; power-to-take game; procedural fairness; reciprocity.
Received: 25.07.2013
Revision received: 28.03.2014
Accepted: 06.10.2014

Summary
It is often conjectured that participatory decision making may increase acceptance, especially of unfavorable decisions. The present paper tests this conjecture in a three-person power-to-take experiment. Two takers decide which fraction of the responder’s endowment to transfer to themselves; the responder decides which part of the endowment to destroy. Thus, responders can punish greedy takers, but only at a cost to themselves. We modify the game by letting the responder participate in takers’ transfer decisions and consider the effect of low/high levels of participation on the destruction rate. We find that participation matters, but only under special conditions: Responders with participation rights destroy significantly less only if they (1) have reciprocal inclinations, and (2) are confronted with highly unfavorable outcomes. Thus, in line with standard economic modeling and leading classes of behavioral theories, our data suggest that procedural effects of decision making are mostly negligible.
Spekulation am Terminmarkt und die Preisentwicklung von Agrarrohstoffen am Kassamarkt: Eine Zeitreihenanalyse der CFTC Berichte für Weizen, Mais und Sojabohnen

Speculation in Futures Markets and the Impact on Agricultural Commodity Prices: A Time Series Analysis of the CFTC Reports for Wheat, Corn and Soybeans

Daniel Maul, Martin Fischer und Dirk Schiereck
Technische Universität Darmstadt

JEL Q14; G13; G18
Agricultural commodities; open interest; future prices; speculation.

Received: 07.10.2013
Revision received: 11.11.2014
Accepted: 09.02.2015

Summary

Over the last few years, rising prices and increasing price volatility of major agricultural food commodities were observed. This caused a debate among various organizations about who is responsible for this development. While many Non-Governmental Organizations proclaim that speculations in future markets cause the rise in food prices, academic research provides ambiguous results on this topic. This controversy is the motivation for this study. In order to offer additional insights, the relationship between the price changes of corn, wheat, and soybeans and the corresponding changes in open interests are analyzed. Commitments of Traders as well as Disaggregated Commitments of Traders reports are investigated to determine whether the activities of speculators adversely affect food prices. First, Johansen cointegration tests are employed to analyze the relationship between price and position data. Second, VAR and VECM are used to analyze short- and long-term dynamics. The results of the empirical analysis demonstrate that in the short-run price changes precede changes in open interest. Additionally, soybeans show a long-run equilibrium relationship between both series, indicating that speculators influenced past prices to some extent. However, the percentage price change is rather low. Therefore, sharp rises in soybean prices cannot be explained by it.
Does the Forward Discount Represent a Long Memory Process or Short Memory Process with Multiple Changes in the Mean?

Aidil Rizal Shahrin
University of Malaya, Malaysia

JEL C32; F31
Long memory; multiple changes in mean; exchange rate; forward rate unbiasedness hypothesis.

Received: 01.07.2013
Revision received: 26.10.2014
Accepted: 06.02.2015

Summary
This study aims to determine whether forward discount represents a long memory or short memory process with multiple changes in the mean. Based on the samples of six currencies from November 3, 1986, to March 6, 1998, using Baek and Pipiras’s (2012, 2014) statistical procedures, our findings suggest that forward discount is a short memory process with multiple changes in the mean rather than long memory. These changes in mean are the result of an intervention by monetary authorities in the forex market. Thus, earlier findings of long memory in forward discount, as reported in the extant literature, are questionable.
Growth Regressions, Principal Components
Augmented Regressions and Frequentist Model Averaging

Martin Wagner
Faculty of Statistics, Technical University Dortmund, Germany, Institute for Advanced Studies, Vienna, Austria, and Bank of Slovenia, Ljubljana, Slovenia

Jaroslava Hlouskova
Institute for Advanced Studies, Vienna, Austria and Thompson Rivers University, Kamloops, Canada

JEL C31; C52; O18; O47
Frequentist model averaging; growth regressions; principal components.

Received: 11.05.2013
Revision received: 01.10.2014
Accepted: 10.03.2015

Summary
In this paper we consider frequentist model averaging for principal components augmented regressions illustrated with the Fernandez et al. (2001) data set on economic growth determinants. We compare and contrast our method and findings with the WALS approach of Magnus et al. (2010).