

A Bayesian Analysis of HOGLEX Demand System Using Unit Records for Major ASEAN economies: Thailand and the Philippines

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The HOGLEX demand system (Van Hoa, 1983, 1985) is integrable and completely general in the sense that it encompasses all other well-known demand systems in the literature on consumer behavior (Laitinen et al 1983)). HOGLEX studies to date have been based on conventional OLS or MLE methods and panel aggregate data. The paper elaborates on important subsets of the HOGLEX demand system and, using household expenditure unit records from two major ASEAN countries (ie, Thailand and the Philippines), applies Bayesian methods to estimate the systems for a number of socio-demographic cohorts. A brief analysis of the findings and a comparison with MLE-based results are also presented.

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