



SDI Review Form 1.6

PART 1:

Journal Name:	<u>British Journal of Economics, Management & Trade</u>
Manuscript Number:	2013_BJEMT_5146
Title of the Manuscript:	Budget Deficits and Long-Term Interest Rates in Japan
Type of the Article	Research paper

General guideline for Peer Review process is available in this link:

(<http://www.sciencedomain.org/page.php?id=sdi-general-editorial-policy#Peer-Review-Guideline>)

- This form has total 7 parts. Kindly note that you should use all the parts of this review form.



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PART 2: Review Comments

	Reviewer's comment	Author's comment <i>(if agreed with reviewer, correct the manuscript and highlight that part in the manuscript. It is mandatory that authors should write his/her feedback here)</i>
<u>Compulsory</u> REVISION comments		
<u>Minor</u> REVISION comments	Some of the equations embedded in the text (i.e. Equation #3) should be listed in an appendix. Period of the data examined is not specified clearly. It may be helpful it is stressed out clearly.	Thank you very much for reviewing our manuscript. We have made the following revisions based on your comments. (1) We moved some of the explanations and equations to the appendix section. In particular, the entire explanation on the business cycle variable in the "Construction of Variables" section was moved to appendix. This revision has reduced the number of equations included in the text and made it easier for readers to focus on more important materials. (2) We added the explanation on the estimation period throughout the text, including abstract, titles of tables 1, 2, 3, the beginning of section 5 (Regression results section), and the beginning of section 6 (Conclusion section). We believe these additions made the estimation period very clear for readers.
<u>Optional/General</u> comments	There is no need for such lengthy explanation under the title "Construction of Variables". It should be condensed. I congratulate the author(s) for this interesting work. I feel confident that this paper can be published after minor revisions listed above.	(3) Based on your suggestions, we condensed the section on Construction of Variables. We reduced the explanations on the business cycle variable and sources of data in the Construction of Variables section and moved them to appendix. The total length of the Construction of



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		Variables section is now less than 1 and a half pages. We believe this is reasonably short.
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