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Gabriel Rodriguez[a, b]

[a]Editor-in-Chief, ECONOMÍA

[b]Department of Economics, Pontificia Universidad Católica del Perú

✉ gabriel.rodriguez@pucp.edu.pe

This Issue contains four papers. The first article, authored by A. Arencibia Pareja (Bank of Spain), A. Gomes-Loscos (Bank of Spain), M. de Luis López (Bank of Spain) and G. Perez-Quiros (European Central Bank and CEPR), proposes a new extended and revised version of the Spain-STING (Spain, Short-Term INdicator of Growth) model, a dynamic factor model used by the Banco de España for the short-term forecasting of the Spanish economy. The model includes forecasts for each of the demand components of the National Accounts (GDP, private consumption, public expenditure, investment in capital goods, construction investment, exports and imports). Furthermore, the predictive power of the models for GDP and its demand components for the period 2005–2017 is evaluated. With regard to the GDP forecast, they find some improvement of the predictive power compared to the previous version of Spain-STING. As for the demand components, they show that the proposed model has better predictive power than other possible time series models.

The second article authored by D. Besseghini (Universtà degli Studi di Milano) traces the story of one of the most significant unofficial mediators in the context of the imperial reconfiguration of the Atlantic World between the late 18th and early 19th centuries. The protagonist was a woman of many identities, loyalties, experiences, and allegiances, who stood at the center of business and family networks of global dimension. This article focuses on the role she played in the system of corruption that allowed British merchants to conduct business in Río de la Plata between the June 1808 alliance of Britain and anti-French Spain and the legal opening of direct trade with the British in Buenos Aires in November 1809.

New evidence on financial development and economic growth is the subject of the third article authored by J. De la Cruz (Pontificia Universidad Católica del Perú). This paper contributes to the literature by analyzing differentiated effects when a country's economic conditions are incorporated. The results show that the positive impact of financial development on economic growth becomes non-significant if financial crises and macroeconomic instability periods are taken into account. However, if income per capita level is considered, the impact becomes positive and significant in high-income countries and decreases in low-income per capita countries. This impact is influenced by each country's level of education, level of financial deepening, and average inflation rate over the last ten years.

The fourth paper is authored by Dante Urbina (Universidad de Lima). This article provides a survey of the existing literature on the effects of corruption on economic growth, foreign direct investment, income inequality, human development, and natural resources sector. Among the main results, the study finds that: i) several studies support a negative impact of corruption on growth (sand the wheel hypothesis), but there are also studies supporting a positive impact (grease the wheels hypothesis); ii) concerning the impact of corruption on foreign direct investment, the evidence is also mixed since there are studies supporting a negative effect (the "grabbing hand" view), a positive effect (the "helping hand" view), and even no significant effect; iii) corruption generates more income inequality, although some studies find an inverse relationship in regions where the informal sector is large. Furthermore, it appears to be strong consensus regarding that corruption hampers human development by affecting aspects like poverty, education and health.

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