

## **ANALYTICAL SUMMARY**

Alvaro CHOI, María GIL, Mauro MEDIAVILLA and Javier VALBUENA

“Predictors and Effects of Grade Repetition”

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Empirical evidence mostly describes the negative effects of grade repetition on academic performance. Nevertheless, the international use of this educational policy is still widespread. In this study, drawing on data for the Spanish case, we provide additional evidence on the need to consider different policies to grade repetition in order to enhance the achievement of low-performers. These alternative policies should be based on two main principles: individualized treatment and early intervention. Results have been achieved from the application of a novel methodology which allows to combine microdata from two international educational assessments.

Rosa DUARTE, Sofia JIMÉNEZ and Julio SÁNCHEZ CHÓLIZ

“Drivers of Economic Growth in Advanced Economies: Results from a Multisectoral- multiregional Perspective”

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From the beginning of the crisis, the discussion about the drivers of economic growth has returned to the forefront of economic debates. In this general context, the main objective of this paper is to analyse how the global economy has evolved in recent decades (from 1996-2009), focusing our analysis on developed countries, in order to determine how globalization and the increasing trade relationships have affected income generation worldwide. Empirically, our work analyses the main magnitudes provided by the WIOD and its associated Multi-regional input-output (MRIO) model for the world economy. On the basis of this first analysis, we go deeper into the identification of the drivers of income generation by way of a structural decomposition analysis. The results show a strong influence of demand growth during the period, whereas components associated with technological elements are significant but at a secondary level. Our analysis

also shows the increasing role played by China and Asian economies, as well as the importance of natural resources for other countries, such as Russia.

Pablo GALASO, Angeles SÁNCHEZ DÍEZ, Sofía GARCÍA GÁMEZ and Cesar OLIVAS  
 “Effects of the International Mergers and Acquisitions Network on Investment: A Study for Latin America”  
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This article studies the determinants of FDI in Latin America from a novel perspective. It shows that the so-called transfer and trust effects, defined by each country’s position in the international mergers and acquisitions network, have a positive influence on foreign investment inflows. Social network analysis is used to quantify both transfer and trust effects, and models with panel data are applied to estimate the influence of such variables on the receipt of financial flows. The results confirm that both trust and transfer effects have positive influences on FDI inflows. The models also identify groups of countries with clear differences in this relationship.

Miguel GARCIA-DUCH  
 “Productivity Convergence during the Eurozone Genesis (1992-2007): Empiric Evidence of an Expected Phenomena”  
*Revista de Economía Mundial* 48, 2018, 103-124

This paper examines the three most common notions of convergence – beta, sigma, and times series approaches – applied to the Eurozone since its Maastricht’s design in 1992 until the start of the crisis in 2008. Due to the limitations of the income per capita approach, this paper focuses in general and sectorial productivity per hour convergence. Evidence of convergence is not found at a general level, while the sectorial picture is mixed. Some branches of services suggests convergence but industrial branches points to strong divergence. Within the neoclassical framework, convergence is an expected phenomena, but empirical evidence shows variability in its success. In fact, there is not a general process of productivity convergence among original members of the Eurozone. Hence, some key conclusions are presented in order to develop a more accurate theoretical background.

Luis Ángel HIERRO RECIO, Pedro ATIENZA MONTERO and Anna Maria HAILER  
 “Internal Trade Imbalances and Economic Growth in Euro Zone”  
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This study estimates the effect of intra-Eurozone trade imbalances on the economic growth of each of the 12 member states during the period 2000-

2016, distinguishing the period 2008-2016, to consider possible changes derived from the economic crisis. We perform a SUR type econometric analysis on the basis of a balance of payments constrained growth model (the Thirlwall's Law). The data source is AMECO, of the European Commission, and "Direction of Trade Statistics", of the International Monetary Fund. The results show that the internal trade imbalances would have positively affected the growth of the exporting countries and, also, positively that of some of the importing. Regarding the effects of the crisis, in some countries, Belgium, Finland and Ireland, the impact of trade imbalances on economic growth is reduced, while in others, the Netherlands and Greece is reinforced.

María NAVARRO and Ángeles SÁNCHEZ

"Income and Subjective Well-being: The Social Comparisons Effect"

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For public policies purposes, the analysis of the relationship between income and subjective well-being is important. However, social comparisons in income as well as social contacts can be key determinants of subjective well-being. In order to test these hypotheses, we have studied the effect of different economic and non-economic factors on subjective well-being using the database of the German Socio-Economic Panel. The methodology used is a Probit adapted to Ordinary Least Square (POLS). The main results show that the effect of absolute income on subjective well-being is different depending on the variable of social comparison considered. In addition, the absolute income does not exert the greatest impact on subjective well-being, but social contacts and having a good health. These findings underscore the importance of analyzing the distributional effects of public expenditure programs, as well as studying the effects of public policies on non-economic factors that determine people's well-being and the effectiveness of those policies.

WIRTH, Eszter

"The Norwegian Government Pension Fund Global, Corporate Social Responsibility and Climate Change"

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This paper aims at presenting the Norwegian Government Pension Fund Global (GPF), the world's largest Sovereign Wealth Fund, characterized by its pioneering ethical guidelines for investment decisions, based on active ownership and the exclusion of firms from its portfolio. Two major reasons for the exclusion of a company is "severe environmental damage" and "coal production", leading to the banishment of many companies from the Fund's holdings. Despite the noble intentions, the GPF is loaded with inconsistencies, especially because its resources come from the exploitation of fossil fuels that contribute to global

greenhouse gas emissions. Moreover, the entire Norwegian environmental policy is fragmented and suffers from contradictions.

Antonio VÁZQUEZ BARQUERO

“Constitution, Endogenous Development and Institutional Dynamics”

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The Spanish Constitution represents a framework for productive system that generates development for countries and territories. It includes the institutions that facilitates the relationships between economic agents and political and social players. This paper focuses on how principles and norms included in the Constitution are the basis for entrepreneurial activities and public policies, evolving and interacting with the other forces in the development process. Together with outlining the role played by the Economic Constitution, this paper is aimed to deal with the challenges faced by development institutions and processes, given the existing uncertainty in the age of Globalization.