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INTERNATIONAL TRADE AND TRANSPORT COSTS

Introduction	3	Evaluation of environmental and safety costs in road transport	145
Celestino Suárez Burguet and Inmaculada Martínez Zarzoso		Fernando Lera, Javier Faulin, Sergio Úbeda, Jesús M.ª Pintor and Jorge San Miguel	
Transport costs in international trade theory. Models and applications	7	Transport infrastructure and road pricing in the European Union. Theoretical impact on trade	163
Celestino Suárez Burguet e Inmaculada Rodríguez Zarzoso		Michael Pickhardt	
Infrastructure, geographic disadvantage, transport costs and trade	23	ECONOMIC FORUM	
Nuno Limão and Anthony J. Venables		Analysis of the gross revenue ordered probit ratio as an approximation of the basic indicator of operational risk: Case study of Spanish banking	183
Transport costs and connectivity in international trade between the European Union and Latin America	45	Mariano González Sánchez and Ramón Comendador García	
Inmaculada Martínez Zarzoso and Jan Hoffmann		Apparent and underlying indicators of microcredit institution dependence on subsidies	217
Methodological fundamentals of the TradeTrans database for transport cost analysis in Spain	61	Begoña Gutiérrez Nieto	
Leandro García and Eva Pérez		Participation in not-for-profit organizations: An economic model	237
Maritime transport cost determinants. Case study of Spanish exports	79	Inmaculada García and Carmen Marcuello	
Laura Márquez, I. Martínez Zarzoso, Eva Pérez and Gordon Wilmsmeier		The disseminating role of knowledge-intensive services in Spain: A case study of built-in R&D flows	259
Sectoral competitiveness and transport costs in Turkish exports to the European Union	95	Mercedes Rodríguez and José A. Camacho	
Felicitas Nowak-Lehmann, Dierk Herzer and Sebastian Vollmer		BOOK REVIEW	
Trade in Central and Eastern Europe: Have transport costs rendered gravitational models obsolete?	113	Critiques, reviews	273
Anca Monika Voicu and Nicholas J. Horsewood		CONTENTS	
Air transport: Impact on international trade	133	Contents, abstracts	283
Vicente Inglada, Belén Rey and Pablo Coto		Coordinators for the monographic section: Celestino Suárez and Inmaculada Martínez Zarzoso	

GARCÍA, Inmaculada and MARCUELLO, Carmen

Participation in not-for-profit organizations: An economic model

Abstract: In Spain, there is a sparsity of data on associationism, volunteering and monetary contributions to not-for-profit organizations. Despite this shortcoming, sociologists and economists have made brave efforts to shed some light on the subject. The present article poses and attempts to respond to a number of questions from an economic vantage, namely: 1) the relationships between decisions, participation, membership, donations and volunteering; 2) whether there are differences between the different types of organizations; 3) whether there is a relationship between the wealthier autonomous communities and degree of citizen «commitment».

Key words: not-for-profit organizations, social capital, monetary donations, volunteering.

JEL Classification: L31, Z13.

GARCÍA MENÉNDEZ, Leandro and PÉREZ GARCÍA, Eva M.

Methodological fundamentals of the *TradeTrans* database for transport cost analysis in Spain

Abstract: The present article focuses on the methodological fundamentals of the «Trade and Transport Flows» «TradeTrans» database. TradeTrans develops and expands on the information provided in the Spanish Foreign Trade Statistics database kept by the Spanish Tax Agency's Customs and Excise Tax Department. This new database relates each export operation to a series of values providing information on export goods routing. In other words, it rounds out the variables in the Tax Agency's database, which refer primarily to the description of trade flows, with detailed information on transport flows. The present article reviews the methodology used to build TradeTrans and the chief biases and problems inherent in its use. The purpose of developing this tool is to contribute to the enhancement of the databases required for a fuller understanding of trade and transport flows, in light of the increasing relevance of such traffic in the context of a globalized economy. TradeTrans constitutes a novelty inasmuch as to date no such statistics have been available in Europe, in either academic or specialized consultant circles.

Key words: international trade, trade, international transport, transport costs, database.

JEL Classification: F10, R41, Y10.

GONZÁLEZ SÁNCHEZ, Mariano and COMENDADOR GARCÍA, Ramón

Analysis of the gross revenue ordered probit ratio as an approximation of the basic indicator of operational risk: Case study of Spanish banking

Abstract. The Basel II proposal on operational risk has brought a change of perspective in banking management, for traditionally that risk was covered via the

income statement and self-insurance backed by shareholder equity. By contrast, when the future Basel Accord on operational risk comes into effect, the sum at risk will have to be determined and the sufficiency of the self-insurance to cover any expected or unexpected losses guaranteed. This necessitates an understanding of the different alternatives laid down in the standard for estimating risk and the choice of the one that entails the lowest minimum immobilization of resources. Given the new scenario, the present paper aims to study the ratio between gross revenue and ordered probit in Spanish credit institutions, since these are the variables involved in two of the estimation methods (basic and standard) proposed by Basel-II. The methodology deployed to this end consists in a rating model that establishes the ratio between gross revenue and ordered probit using different definitions of the former, in light of the complexities of calculating this item externally.

Key words: financial system, operational risk, gross revenue, capital, Basel-II.

JEL Classification: C15, C23, C25, C61, G21, G28.

GUTIÉRREZ NIETO, Begoña

Apparent and underlying indicators of microcredit institution dependence on subsidies

Abstract. Microcredit is a new tool to combat poverty and financial exclusion. The present article addresses the study of the dependence of microcredit institutions on subsidies. While there are indicators to measure this parameter directly, it is also reflected in other ratios not designed for that specific purpose. The results found with such ratios are consistent with the information obtained from the direct measures. The paper advances a proposal for a new formulation of subsidy-adjusted ROE and ROA which is more restrictive than the expressions presently used for analyzing such parameters.

Key words: microcredit, microfinance, social cost, subsidy dependence.

JEL Classification: G29, L31, M41.

INGLADA LÓPEZ DE SABANDO, Vicente; REY, Belén and COTO MILLÁN, Pablo

Air transport: Impact on international trade

Abstract: The present paper contains a study of demand for air freight services from three complementary approaches, covering both domestic and international air transport from a short- and long-term perspective. Firstly, the impact of the New Economy on air transport is studied on the grounds of the analysis of the types of products most liable to be shipped by air. Secondly, time series relationships are assessed with Box-Jenkins transfer function methodology to analyze domestic air

carriage of goods. Finally, import and export demand for goods shipped by air is studied with an ad hoc model estimated by means of co-integration techniques to obtain elasticities with respect to GDP and product price.

Key words: international trade, air transport of goods, demand analysis, import and export functions.

JEL Classification: D00, F10, L10, L93, O33.

LERA LÓPEZ, Fernando; FAULÍN FAJARDO, Javier; ÚBEDA MUNÁRRIZ, Sergio; PINTOR BOROBIA, Jesús M.^a and SAN MIGUEL INDURÁIN, Jorge

Evaluation of environmental and safety costs in road transport

Abstract: The growing concern over the environmental issues around road transport is prompting the institution of infrastructure charging policies for road use in several European countries. Building on a characteristic road carriage scenario, the present article estimates the economic costs «for Spain» associated with noise and polluting emissions. The impact of including the safety measures to reduce accident rates in this industry is also considered. The results provide evidence of the economic relevance of environmental costs, which would account for an average increase of 28% in transport costs, with substantial effects on trade flows.

Key words: international trade, road carriage, externalities, environmental costs, safety.

JEL Classification: C44, F18, H23, Q53, R41.

LIMÃO, Nuno and VENABLES, Anthony J.

Infrastructure, geographic disadvantage, transport costs and trade

Abstract: The authors of the present article use different data sets to explore the dependence of transport costs on geography and infrastructure, recognizing the latter to be a foremost determinant of transport costs, particularly in landlocked countries. Their analysis of bilateral trade data confirms the importance of infrastructure and gives an estimate of trade flow elasticity with respect to the trade cost factor of around -3. Infrastructure deterioration from the median to the 75th percentile increases transport costs by 12 percentage points and lowers trade volumes by 28%. An analysis of trade flows in Africa indicates that the continent's relatively low level of trade is largely due to poor infrastructure.

Key words: international trade, transport costs, infrastructure.

JEL Classification: F10, F14, L91.

MÁRQUEZ RAMOS, Laura; MARTÍNEZ ZARZOSO, Inmaculada;
PÉREZ GARCÍA, Eva and WILMSMEIER, Gordon

Maritime transport cost determinants. Case study of Spanish exports

Abstract: This paper aims primarily to define the variables that determine maritime transport costs¹ in Spanish exports and analyze the effects of such costs on international trade. An analysis is conducted of fleet dependence on different factors, including maritime shipping networks, service structure and port infrastructure. This is followed by a study of the importance of these and other variables traditionally included in trade equations. The TradeTrans database is used for the empirical study. The sample covers Spanish exports to 17 countries. This database reliably reflects Spanish transport cost realities, since the data were obtained from an exhaustive field study of companies specializing in shipping.

Key words: international trade, transport costs, connectivity.

JEL Classification: F14, R41.

MARTÍNEZ ZARZOSO, Inmaculada

Transport costs and connectivity in international trade between the European Union and Latin America

Abstract: The present paper explores the empirical relationship between connectivity, transport costs and trade. A cost model including unit values, distance, connectivity and economies of scale as explanatory variables is estimated to analyze transport cost determinants. An expanded gravity model is likewise formulated to establish the degree and intensity of the relationship between transport costs and trade. The results of these two estimates are used to calculate transport cost elasticity with respect to trade.

Key words: international trade, transport costs, connectivity.

JEL Classification: F14, F15, R41.

NOWAK-LEHMANN D., Felicitas, HERZER, Dierk and VOLLMER, Sebastian

Sectoral competitiveness and transport costs in Turkish exports to the European Union

Abstract: This article studies sectoral trade flows from Turkey to the European Union (EU) based on an analysis of panel data covering the period 1988-2002. Turkey's sixteen major

¹ The term «maritime transport costs» has been consolidated in shipping economy literature to mean the price to be paid by maritime shipping service customers.

export industries are analyzed. The authors focus on price competitiveness, EU protective policy and the transport costs that characterize Turkish exports to the Union. The empirical model used is an expanded version of the gravity model. This study contributes to the present debate on whether Turkey will or will not be competitive on the European market. The country's competitiveness depends not only on improved productivity, but on the variations in actual exchange rates between its own and its competitors' currencies. The strategies followed by EU member countries, their protective measures and transport costs also determine competitiveness. The results show that price competition is an important factor in the sixteen industries studied. EU protective policies limit Turkish agricultural exports and transport costs are of particular relevance for fresh produce and the plastic and rubber industries, where there is considerable competition within the EU.

Key words: transport costs, gravity model, panel data, sectoral trade flows, price competition.

JEL Classification: F14.

PICKHARDT, Michael

Transport infrastructure and road-pricing in the European Union. Theoretical impact on trade

Abstract: This paper re-introduces the Sax-Wicksell concept of transport infrastructure provision and financing in a club fashion. Against this backdrop, the EU proposal for a common transport infrastructure charging framework is discussed, along with the recent introduction of a new road use charging system in Germany. The author argues, among others, that the proceeds of charges designed to internalize negative traffic externalities, such as congestion and environmental damage, should be spent on reducing the underlying causes of these effects to avoid revenue-seeking incentives and boost trade and economic growth.

Key words: international trade, transport infrastructure, road infrastructure charging, club theory, public inputs, tolls, economic growth, externalities, Emil Sax, Knut Wicksell.

JEL Classification: F10, H42, L91.

RODRÍGUEZ, Mercedes and CAMACHO, José A.

The disseminating role of knowledge-intensive services in Spain: a case study of built-in R&D flows

Abstract: The growing participation of services in different phases of the production process has turned many of these activities into key inputs for manufacturing industries. In recognition of this fact, the present paper aims to analyze the disseminating role played by services, particularly knowledge-intensive services, in disseminating built-in R&D in the

Spanish production system. The analysis draws from new methodology based on the inverse (Ghosh) matrix to calculate built-in R&D flows that are disseminated via intermediate sales.

Key words: built-in R&D, dissemination, knowledge-intensive services.

JEL Classification: C67, L80, O31.

SUÁREZ BURGUET, Celestino

Transport costs in international trade theory. Model and applications

Abstract: Distance is an obstacle that can be overcome by means of transport, and the effectiveness of that service can be quantitatively estimated by cost assessment. The existence of such costs constitutes an implicit option for the development of cross-border trade. Transport costs have been included in international trade theory, both in the traditional models based on comparative advantage and in methods that base international specialization on the existence of economies of scale. The course followed by the effects deriving from such costs differ depending on the model chosen, thereby conditioning international trade specialization structures and patterns.

Key words: international trade, shipping costs, models, geography, logistics.

JEL Classification: F11, F12, R41.

VOICU, Monika Anca and HORSEWOOD, Nicholas J.

Trade in Central and Eastern Europe: have transport costs rendered gravitational models obsolete?

Abstract: A gravitational model for the new EU members and OECD countries is estimated in the present paper. Given the change in transition economy export targets, a cross-sectional analysis is used for several years in the final decade of the twentieth, and the first decade of the twenty-first century. The effects of preferential agreements between trade blocks are quantified and an expanded gravity model is estimated with variables reflecting communications and transport costs. The relevance of the number of Internet and mobile telephony users as determinants of trade suggests possible policy guidelines for enhancing trade flows in Central and Eastern European countries.

Key words: international trade, transport costs, new technologies, distance.

JEL Classification: F14, F15.