

ALONSO VENTAS, Asunción

The impact of Basel II on foreign trade

Abstract: The financial crisis has affected both global economic policy and the decision-making institution and institutional forum scenarios. This has enlivened the debate around the possible implications of Basel II on foreign trade finance and prompted several proposals for measures in this context. Adaptation to the new prudential standards set by the Basel Committee on Banking Supervision is not only one of the major changes faced by the financial system in recent years, but a sizeable challenge for regulators, supervisory authorities and credit institutions themselves. The world is, then, presently experiencing an historical situation for the international financial system, which has been rendered more complex by the global financial crisis.

Key words: financial crisis, foreign trade, financial system.

JEL Classification: E51, F34, G15.

BAJO RUBIO, Óscar y GÓMEZ GÓMEZ-PLANA, Antonio

Fiscal measures to combat unemployment (and the public deficit): social security tax versus VAT

Abstract: Spain's growing unemployment rate is the country's most serious economic problem. Voices calling for a reduction in employers' social security tax are recurrently raised in high unemployment scenarios. The cost of such measures in terms of revenues, however, is often attendant upon an increase in indirect taxation. This article analyses a number of tax policy options for both types of tax, using a computable general equilibrium model broken down by industry. The model reveals the interrelationships and effects of such measures on output, labour market and revenues at both the macroeconomic and industry levels.

Key words: social security tax, value added tax, unemployment public deficit.

JEL Classification: C68, H20, H30.

BLANCO QUESADA, Marta

The WTO: global solutions for trade finance challenges

Abstract: The decline in aggregate demand that followed in the wake of the financial crisis led to a reduction in world trade and production in the fourth quarter of 2008 and early 2009. The decline in exports was worsened by shrinking trade finance, which impacted developing countries most severely. Pursuant to a WTO mandate on consistent policies, the main public and private actors participating in trade finance have begun to formulate and raise joint recommendations to world leaders at G-20 summits. This mobilization has

helped to improve the situation, but challenges requiring a coordinated response are still outstanding.

Key words: WTO, consistency, financial crisis, liquidity, trade, trade finance, G-20.

JEL Classification: E44, E51, F13, F34, G15, G32, O19.

CAÑADA MARTÍNEZ, Agustín

Effects of capitalizing R&D expenses on the national accounts: in pursuit of an R&D satellite account for Spain

Abstract: One of the main changes in the recent revision of national accounts methodology (SCN 2008 (national system of accounts) and the new version of the ESA, ESA2010, presently being drafted) is the composition of intangible assets, which now include new categories such as R&D expenses. This paper presents a preliminary evaluation of the effect of capitalizing R&D expenses on the Spanish national accounts. To this end, an innovative proposal is put forward in the form of a satellite account. While observing principles recently agreed to in the European Union, the proposal has a distinctive comprehensive accounting design based on application and source of funds tables. Numerically, the results reveal the scant impact of the new approach on Spanish GDP, given the economy's low levels of R&D spending.

Keywords: R & D, national accounts, satellite account, Spanish national accounts, ESA.

JEL Classification: D57, E01, O30, O47.

MATESANZ GÓMEZ, David y ORTEGA, Guillermo J.

Financial market complexity. Econophysics tools applied to crises and contagion

Abstract: The present paper aims to introduce the use of certain econophysics tools and methods in the analysis of complex systems such as financial markets. The techniques used are described by increasing level of complexity to analyze the financial crises that took place in the nineteen nineties. More specifically, they are applied to explore the impact of volatility and uncertainty on the intensity of real crises, the interdependence between the two and hence the existence or otherwise of contagion. Another objective of the article is to enhance the awareness of some of the scanty known contributions made by econophysics.

Key words: econophysics, interdependence and contagion, linear and non-linear co-movements.

JEL Classification: C82, F31, F40.

MONTES, Vicente y MEDINA MORAL, Eva

Credit and international trade, mainstays of world-wide development

Abstract: Free trade and the access to financing should be a priority on the development agenda. This article proves the existence of a positive empirical relationship between trade and finance, and between both and development. Advanced development is associated with greater recourse to commercial banking, less dependence on internal financing and the need for collateral, less stringent requirements to access credit, shorter trading times, greater export intensity, smaller losses in foreign trade operations and a lower perception of customs and trade regulations as constraints to business activity.

Key words: growth, development, institutional context, financial environment, commercial opening, trade finance, cluster analysis.

JEL Classification: F15, F36, O43.

REGUERO NAREDO, Beatriz, HERNANDO MINGUELA, M.^a José y LORING RUBIO, Rafael

The role of ECAs in trade finance: trends and measures to confront the crisis

Abstract: The international financial crisis has restored the importance of export credit agencies as «facilitators» of international trade. Their participation in trade finance as managers of financial support tools for exports from their respective countries has met market needs in a context, in the best of cases, of a shortage of financing for export operations. This situation, so surprising in an international environment used to exactly the opposite in recent years, namely a surplus of financing available for «almost» any project, has put the anti-cyclical capacity of these instruments to the test. Indeed, they have had to swiftly generate a growing supply of credit at a time when risks are higher, without damaging their portfolios so as not to jeopardize the system's long-term financial sustainability. Coordinating these contradictory mandates is the objective sought and the most important challenge faced by ECAs in recent years.

Keywords: international trade, trade finance, crisis, export credit, loan insurance, ECAs, export credit agencies.

JEL Classification: F10, F19, F39, G22.

VALERO SAN PAULO, Marta

Government financial support for internationalization in the present economic crisis

Abstract: The economic and financial crisis has hurled the world economy into a deep recession. Disturbance on international financial markets and a decline in world-wide

demand have had an adverse impact on international trade flows. Given the important role of international trade as a driver in the present circumstances, a number of forums, including the OECD and the G-20, have furthered measures to reinforce the inter-country coordination of government support for export operations. This article briefly discusses how international trade has been affected and the role that financial support for internationalization can play in minimizing the effects of the crisis. It describes the measures adopted by Spain in this regard and the basic course that will be charted during its EU Presidency.

Key words: trade, trade finance, official support.

JEL Classification: F34, F36.

VILARRÚBIA TÀPIA, Josep M.

International trade crisis and recovery: the role of trade finance

Abstract: This article analyzes the behaviour of trade finance since the advent of the global crisis in 2007. Beginning in the last quarter of 2008 and the first quarter of 2009, international trade underwent an historic slide, largely attributable to the substantial decline in activity. Nonetheless, the financial origin of the crisis also affected the international trade finance market, whose volumes slumped as prices rose. A number of studies suggest that the weakening of this market had an adverse effect on trade flows, particularly in emerging countries. Hence, this market also felt authorities' decisive response to the crisis, most prominently the G-20 commitment to provide up to 250 billion dollars and the role played by multi-lateral development banks in furthering export activity in their respective regions. These initiatives, along with the improvement in the economic situation in 2009, favoured a substantial recovery in international trade. In future, the greater importance acquired by emerging country financial institutions in their domestic trade finance markets may contribute to more intense development of those markets. That in turn will impact international capital flows as well as currency exchange markets.

Key words: international trade, financial crisis, trade finance.

JEL Classification: F13, F32, F36.