

Summary:

The goal of this project is to dig deeper on how financial constraints and the process of globalization affect and are affected by productivity and other important macroeconomic factors. To achieve this goal, it concentrates on two main topics for four years. These two topics are interrelated. This is the reason why it becomes important to address them jointly. They rise questions in which team member possess substantial experience, and lead to issues that represent a continuation of our previous research project funded by Ministerio de Economía y Competitividad (reference ECO2015-70540-P). This previous project produced several publications in high impact journals.

More specifically, the first topic deals with the effects of financial constraints on fiscal policy, the sustainability of the pension system, the provision of electricity infrastructure and its impact on productivity, the demand for education, misallocation, and the firms informality. The second part focuses on the relationship of globalization with the labor market, innovation, natural resources, and product quality.