

Letter from the Editor

A protracted period of the SARS-COV2 pandemic has engulfed every corner of the world, with nearly 150 million individuals affected and over three million deaths to the first quarter of 2021. With lockdowns imposed by the governments of several nations, it is a health crisis that has partially paralyzed productive activity, with severe economic effects on the labor realm, continuity of global value chains and growth dynamic of the GDP and per capita GDP, among others.

Innovations in information and communication technologies from a previous decade have spread at the speed at which Covid-19 crossed land borders and seas. So virtual meetings in small groups, as well as large audiences, have enabled work continuity, especially in the service sector, with the educational sphere key within it. Such is the case of the Zoom platform created in 2011 and launched two years later. According to data from the California company Zoom Video Communications, while 200 million annual meeting minutes were registered in 2013, by the third bimester of 2021 the figure was at an estimated 3.3 billion annual minutes. Plus, daily meeting users had hit the 10 million mark in December 2019, a number that soared during the pandemic to 300 million in April 2021 (Business Insider). Other similar platforms have made webinars accessible, which has helped keep the Robinson Crusoe syndrome at bay, as far as possible. These technological tools have contributed to university academic activities keeping pace, although the connectivity access asymmetries associated with technological gaps in Mexico with respect to other countries constitute a limitation for groups of students.

Economía Teoría y Práctica has continued moving forward with its activities through the ojs portal, thanks to the great decision that Conacyt made in adopting the platform for Mexican scientific magazines. In particular, we are pleased to have taken the leap and incorporated the technological advances that permanently improve magazine visibility.

This issue begins with the article “Circular Flow and Economic Development in the Monetary Thought of Joseph Alois Schumpeter,” written by Ricardo Solis Rosales, professor-researcher at the Autónoma Metropolitana University, Iztapalapa campus, and Miguel Angel Cruz Romero, PhD in Economic Sciences from the same university. Based on an in-depth review of the work of Schumpeter, one of the

founding theorists of innovation as economic growth source, Solis and Cruz propose examining the incidence of the money-investment-innovation triad. This includes analyzing circular flow, the conditions of monetary equilibrium and the process of economic development, which lead to earnings, and their nature. Interesting reflections are presented on the coinciding inclination of Keynes and Schumpeter to figure out the dynamic of the modern capitalist system, but also the theoretical differences between the two with respect to monetary theory, especially concerning the discussion as to whether or not there is a direct savings-investment link, and subsequently to profit.

This research contributes to grasping the importance that Schumpeter attributes to entrepreneurs and their key role in innovations aimed at profit. Thus, it also helps understand the mechanisms that enable differentiating the nature of earnings and the causality order among rates of interest, investment and profit in economists Keynes, Wicksell and Schumpeter. Evocative conclusions by the authors, who encourage in-depth reading of their analysis, especially at a time when entrepreneurs find themselves having to opt for either an adaptive or a creative response.

We move on to the contribution of Víctor Manuel Cuevas Ahumada and Daniel David Jaime Camacho, both from the Autónoma Metropolitana University, Azcapotzalco campus, with the article “Control of Corruption, Human Capital and Economic Growth: A Dynamic Panel Data Model.” The analysis includes Mexico in a sample of 15 countries in the period 2002-2017, which is relevant since the current government has placed combatting corruption at the core of public policy. The authors ask: 1) To what extent does control of corruption contribute to economic growth in nations such as Mexico, particularly without substantial progress in other dimensions of public governance? and 2) To what extent should spending on education and on research and development be prioritized to increase the Gross Domestic Product (GDP) per capita in countries like Mexico?

The proposed methodology is based on prior contributions to validating or rejecting the hypothesis in the sense that fighting corruption is a necessary but notably insufficient condition for producing sustained economic growth and should, consequently, be complemented by both improvements in other dimensions of public governance and greater channeling of resources to education, research and technological development. Outstanding findings lead the authors to rethink the design of policies that can pay for sustained economic growth, closely examining investment in human capital, research and development and physical capital.

Twenty years after the Millennium Goals, aimed at reducing poverty in the world through setting policies in motion to achieve equality in several indicators, among them gender, it is imperative to point out what has been accomplished. Reyna Elizabeth Rodríguez Pérez and Vicente German-Soto, academics at the Autónoma de Coahuila University Economics Faculty, address the analysis of

the cyclical relationship of salaries (female and male) and the salary gap by gender with six macroeconomic variables from the manufacturing sector in Mexico in 1993. Following a theoretical and empirical review of the factors that influence such salary differentials, in the article “Gender Wage Gap and Business Cycle in Mexican Manufacturing,” the authors look into the performance of the male and female salary cycle and the gap and volatility dynamic between them.

By proposing and adapting a number of methodologies, Rodríguez Pérez and German-Soto measure the cycle of each variable, estimate the salary gap and study the cyclical properties of the salaries, as well, too, as salary dynamism and salary gap with respect to the cycle of economic variables such as the GDP, labor productivity, unit costs, capital formation, non-oil exports and the inflation rate. The research results lead to policy recommendations aimed at improving salaries and closing salary gender gaps.

Another topic of huge worldwide concern relates to energy generation sources and their effects on climate change. While throughout its existence, the planet has undergone drastic transformations in the atmosphere, hydrosphere, cryosphere and biosphere, the current change in the terrestrial climate system is associated with human action on the environment, otherwise termed anthropogenic impact. In particular, scientists with expertise in this phenomenon identify that such a change is related to the growing greenhouse effect, caused to a great extent by industrial emissions from burning fossil fuels (coal, oil, natural gas; Intergovernmental Panel on Climate Change, IPCC, 2007).¹

In the context of this phenomenon, the emissions reduction commitments made by Mexico at the United Nations Framework Convention on Climate Change and the provision in the General Climate Change Law in 2015, comes the article “Socio-Environmental Benefits Derived from Energy Efficiency in the Mexican Industrial Sector,” co-authored by Edgar Roberto Sandoval García and Rosa Laura Patricia Edith Franco González, of the Tecnológico de Estudios Superiores, Cuautitlán Izcalli. The authors take on the task of estimating the evolution of the intensity of energy consumption in the manufacturing sector from 2000 to 2016, with worrisome results. Given the concern for finding out what proportion energy intensity must be reduced to achieve the national Efficiency Energy (EE) goal, the authors look into the potential of the socio-environmental benefits forecast for the year 2030, with the decrease in carbon emissions and generation of jobs associated with the national EE goal in the industrial sector. To understand the phenomenon facing humanity, given the imminence of major natural disasters, this is essential reading.

¹ IPCC (2007), “Summary for Policymakers”, in Solomon, S.; Qin, D.; Manning, M.; Chen, Z.; Marquis, M.; Averyt, K. B.; Tignor, M. and Miller H. L. (eds.), *Climate Change 2007: The Physical Science Basis. Contribution of Working Group I to the Fourth Assessment Report of the Intergovernmental Panel on Climate Change*, United Kingdom and New York, United States, Cambridge University Press, Cambridge.

From another perspective, Antonio López Velarde Loera and José Antonio Núñez Mora of the Tecnológico de Monterrey, Mexico City, and Martha Beatriz Mota Aragón of the Autónoma Metropolitana University, Iztapalapa campus, approach analysis of risk performance quantification of crude and refined oil product portfolios in the short and long term, in the article “Modeling Crude Oil and Refined Petroleum Product Spreads: An Alternative Tool for Risk Quantification.” Modeling is found to be pertinent for evaluating these portfolios and with that, companies in the field, especially, will be able to deal with potential financial risks and access to liquid flows by raising the prices of these energy products.

With this background and the specialized theoretical and empirical review, the authors focus on developing a model that includes measuring the probability of neutral risk, avoiding what is inadequate for risk quantification. The attempt is, therefore, to measure the real adequate probability of the relationship between crude oil prices and refined petroleum products, especially observing whether or not there are asymmetries when analyzing co-movements of those prices and what the explanatory variables might be. The recommended model and its results contribute to oil-company decision-making. But it also sheds light on the utility of evaluating the profitability of rehabilitation projects for refineries and the refinery system, where current policies in Mexico are aimed. The piece is recommended reading not only for experts in the field.

“Trade Globalization and Inequality: A Classification Trees Analysis,” is a contribution of Ana Cecilia Parada Rojas, Jorge Omar Razo de Anda and Humberto Ríos Bolívar, of the National Polytechnic Institute. The authors express their concern for explaining global income inequality. Unquestionably a complex phenomenon whose multifactorial roots lead to a marked trend of high income concentration among few people, while poverty extends through most of the population of nations.

Within such a context, the authors propose empirically testing the various ramifications of income inequality in commercial globalization, depending on the nation’s institutional, economic, political and social specifics, as well as those of labor market structure. The very intriguing and methodologically rigorous Classification Trees technique allows the authors to identify probable factors and conditions that cause commercial globalization to contribute to income inequality in households.

Next is an article that addresses another highly relevant subject in times of Covid-19: “International Remittances and Altruism in the Context of the Covid-19 Pandemic,” by Jorge Mora-Rivera, of the Tecnológico de Monterrey Institute, Martha Cecilia García Amador, of Colegio de México and Luis David Sosa Rodríguez, also at the Tecnológico de Monterrey. The authors ask what the dynamic of the flow of remittances to Mexico from abroad has been like? Have remittances to the country decreased or increased during the current health crisis? Considering the job

impacts on fellow national migrants abroad, especially in the United States, how can the apparent increase in remittances be explained? The hypothesis of possible altruism leads to analysis and methodology to explain the phenomenon.

In discussing their research findings, Mora-Rivera, García and Sosa reveal the relevance of identifying how the probability of receiving remittances can go up when household expenses increase due to health crises and confirm the elasticity of such a probability with catastrophic expenditures, in addition to explaining the altruistic motivation as an essential factor in sending remittances. Finally, they discuss how, far from being invested productively, those remittances are used to cover health needs in the communities that receive them. The reflection on the policies proposed for reconsideration is just as intriguing.

Finally, this issue closes with a review of the book *Les capitalismes à l'épreuve de la pandémie*, by Robert Boyer, renowned economist and founder of the Theory of Regulation, and published by French publishing house La Découverte in 2020. This major contribution by Dr. Boyer calls for theoretical rethinking by economists and interaction with other scientific fields. A Spanish edition of the book is a must and hopefully will be available soon so that reflections on ideas from the anthropogenic model can spread during these times of pandemic.

Once again we would like to thank the anonymous arbitrators, whose expertise has ensured that the articles complied with the recommendations. We are also grateful to the Editorial Committee for its invaluable collaboration, the Scientific Committee that backs us up in this editorial task and to all the authors, whose valuable contributions fill the pages of this issue, which is available to domestic and international readers. The financial support of the Autónoma Metropolitana University clearly makes publication of *Economía Teoría y Práctica* possible, so we reiterate once more our appreciation to university president Dr. Eduardo Peñaloza Castro and Dr. José Antonio de los Reyes, general secretary. And last of all, I would like to express my satisfaction with the work of everyone who participates in the various editorial tasks.

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