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Statistical Evidences of National Economic Resilience using Macroeconomic Data before and after the Global Financial Crisis

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Abstract: In this paper, a statistical analysis investigates which countries were economically resilient after the global crisis and what features those countries have. We use macroeconomic data and analyze the relationship between socio-economic factors and the degree of economic downturn after the crisis. The preliminary results from the correlation analysis imply that expansion of exports, inflation rate, dependence on fuel imports, and dependence on manufactured exports can explain the economic resilience of the major advanced countries including Germany, Japan and the US.

Keywords*:* Cross-Country Analysis, Economic Resilience, Financial Crisis

JEL Classification Number*:* O11, O47

1. Introduction

Triggered by the fall of Lehman Brothers in September 2008, the number of discussions on the current recession is increasing. Rossi and Aguilera (2009) focused on risk mitigation in relation to financial crises while making it clear that the effects of the current recession are different among the developed countries. Lane and Milesi-Ferretti (2010) examined the determinants of the economic slowdown over 2008- 9 by comparing the annual GDP of the pre-crisis period of 2005-7. They find that increases in the ratio of private credit to GDP and current account deficits have negative impacts on demand growth. Claessens et al. (2010) examined the events and timeline of the recession and addressed the necessity of regulatory arrangements for cross-border activities. Groot et al.