Regional SAM of Northeastern Mexico: Economic impacts of exports variations.

Topic: (7.3) Regional input-output modeling (1)
Author: Alejandro DAVILA FLORES

1. What will be the economic impacts in the northeastern region of Mexico, composed by the states of Coahuila, Nuevo León and Tamaulipas, associated with a contraction in its international exports due to tightening of trade policy in the United States of America?

2. An expanded Leontief model, elaborated with the data of a regional social accounting matrix (RSAM) for northeast of Mexico, will be used to build a production model and to calculate the multipliers, elasticities and additive decomposition formulated by Stone (1985). Also, we will estimate the impacts on income distribution and household consumption. For the RSAM, we will use the notation proposed by Holland and Wyeth (1993) and later used in Miller and Blair (2009, pp. 514-555). The method employed for regionalization of NIOT was proposed by Flegg and Thomo (2016).

3. National Input-output table (NIOT), accounts by institutional sectors and regional income surveys are used to build a regional social accounting matrix (RSAM) of Northereastern Mexican Economy. RSAM is composed with 31 sectors of economic activity and consumption is broken down into ten groups of households according to their income levels. Capital, government, rest of world and rest of country will be exogenous variables.

4. This is an applied Regional Economics research. The main interest lies in addressing a relevant issue in the current economic situation.