Input-Output and Measuring Economic Productivity in Brazil from 2000 to 2013

Topic: Growth Accounting

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Determining the factors that increase productivity is one of the leading problems of scientific studies once the growth in productivity provides good results to the income level, welfare and is a vital source of economic growth in many economies (Miller e Blair, 2009). Thus, the main purpose of this paper is to analyze total factor productivity (TFP) growth of the Brazilian by the input-output matrices provided by NEREUS, Guilhoto & Sesso Filho (2010), and Guilhoto & Sesso Filho (2005) from 2000 to 2013. The motivation for this study was brought about due to the need to present a different method for estimating TFP growth by analyzing TFP using the input-output methodology. The main results from this study can be compared with the results from other studies that use a different methodology to estimate TFP growth. The outcomes indicate that the Oil and Gas Extraction (+60,78%), Domestic Services (+55,78%) and Public Education (+52,44%) showed the highest productivity increase. On the other hand, the sectors of Financial Intermediation, Insurance, Private Pensions (-45,52%) and Private Health (-31,45%) showed the most significant reduction in productivity. So, this study helps to understand the growth of productivity in Brazil better and provides some results to guide government policymakers shortly.