An Input-Output Study of the China Information Sector

Topic: Multiplier & Linkages Investment

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In this paper, data for Chinese 2002, 2007 and 2012 input-output tables are used to investigate the impact of information technology on the output growth of Chinese economy. We adopt the inputââ,¬â€œoutput approach to shed light on both production and diffusion activities of the information

sector on the Chinese economy. Based on dynamic structural decomposition analysis(SDA), we also identify the sources of growth in the information sector. The results indicate that the ICT sector provided the key linkages for the expansion of service sector and technological intensive manufacturing sector for the Chinese economy and the demand for information technologies from manufacturing sector is growing faster than that from service sector. In particularly, there is the tendency in IT industry of which the driver of growth is changing from export to domestic demand.