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**Working Papers in Input-Output Economics** 

WPIOX 09-001

# Rosa Duarte Pac, Mónica Flores García and Julio Sánchez Chóliz

Comparison and Components of Backward Linkages in a Social Accounting Matrix

### **Working Papers in Input-Output Economics**

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### Editors

Erik Dietzenbacher

Faculty of Economics and Business University of Groningen PO Box 800 9700 AV Groningen The Netherlands

h.w.a.dietzenbacher@rug.nl

Bent Thage

Statistics Denmark Sejrøgade 11 2100 Copenhagen Ø Denmark

bth@dst.dk

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## Authors: Rosa Duarte Pac, Mónica Flores García and Julio Sánchez Chóliz

## Title: Comparison and Components of Backward Linkages in a Social Accounting Matrix

#### Abstract:

Techniques developed for the analysis of input-output tables (IOT) have been applied to Social Accounting Matrices (SAM) in recent years. Because these techniques employ fewer exogenous variables, they increase interdependencies between accounts, resulting in different backward linkages depending on the level of endogenization. Any economic interpretation of these results, however, must take account of the fact that these differences are due both to direct effects and feedback between endogenous variables (endogenization effects) and to the variation in income represented by exogenous variables (scale effect). In this paper, we seek to identify and describe both components of backward linkages, applying our findings to the case of the Aragonese economy. Specifically, we use the results obtained to analyze the relevance of the Firms, Savings and Investment, Public Sector and Foreign Sector accounts.

**Keywords:** SAM; Backward linkages; Decomposition; Aragonese economy

**Archives:** Methods and mathematics; Social Accounting Matrices

#### **Correspondence address:**

Mónica Flores García Department of Economy and Business Management University of Zaragoza Maria de Luna, 3 50018 Zaragoza Spain

E-mail: monicafl@unizar.es

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