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TITLE: BALANCE, MANHATTAN NORM AND EUCLIDEAN DISTANCE OF INDUSTRIAL POLICIES FOR THE US

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ABSTRACT:

The present day economic circumstances require the design of policy controls strongly oriented to specific industrial sectors suitable for supporting output and mitigate the effect of recession. Within the scientific debate the implementation of such policies highlights a set of problems of choice of the macro variables that make up the policy control - final demand components, disposable income or other - of the determination of its amount, structure and balance. In a multi-sectoral framework these issues require a careful identification of the relationship among amount and structure of the policy control - which normally is brought back to a demand control - since the aggregation criterion influences the achievable results and their interpretability. The Macro Multiplier approach, which extends the Leontief multipliers analysis, identifies the complete representation of the structures of the macro variables, components of final demand, consistent with the technologies in use. The set of MM gives then a set of scalars in which each MM operates, in an aggregated fashion, on an associated structure of the macro variable in a multiplicative way. The potentialities of the reply in the objectives will rise out, as well as the compatibility of the final demand structures with the technologies characterizing the producing processes. Within the contributions on the attempt to attenuate a recession phase through demand oriented policies, the work proposed tries to identify the "convenient" composition of the policy control variable and its impact on production. The application is performed on an Input-Output table for the year 2007.