

An interregional input output model for Buenos Aires

Topic: Regional input-output modeling 1

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Buenos Aires City is the biggest city of Argentina and the second largest metropolitan area after Sao Paulo in Brazil. The aim of this paper is to account the interregional flows for Buenos Aires with different regions of Argentina. This allows us to know the different levels of cointegration and dependence between Buenos Aires and others regions. This is the first approach for the country and it is important to take political or economic decisions because allows to quantify direct and indirect regional effects.

We quantify these effects on a interregional Input-Output model. Unfortunately, Buenos Aires does not have a Input Output Tables or a regional account system, so we have to estimate the model with non survey and calibration techniques.

The paper focuses on making an Input – Output Model and presents the estimations for intraregional and interregional tables. We separate Argentina in two regions, Buenos Aires City and the rest of the country. To measure an intraregional coefficients for each region we based our estimations on non survey techniques using Location Quotients (Simple Location Quotient, Cross Industry, Flegg's Location Quotient and Augmented Flegg's Location Quotient). To estimate interregional coefficients we transform two common alternative ways to balance these matrices, the RAS and cross entropy methods.