TITLE: ECONOMETRIC INPUT-OUTPUT MODEL FOR EU COUNTRIES BASED ON SUPPLY & USE TABLES: PRIVATE CONSUMPTION

AUTHORS: KRATENA, KURT ; MONGELLI, IGNAZIO; WUEGER, MICHAEL

EMAIL: ignazio.mongelli@ec.europa.eu

COUNTRY: SPAIN

KEYWORDS: HOUSEHOLD DEMAND SYSTEM ; MICRO AND MACRO DATA ; ECONOMETRIC INPUT-OUTPUT MODEL

PAPER CONFERENCE CODE: 189

FULL PAPER IN CD?: YES

ABSTRACT:

This paper presents the results of an econometric study on household private consumption in EU15 aiming at the estimation of a household demand system of equations including price and income parameters as well as other socio demographic explanatory variables. The econometric model is estimated by consistently combining a time series cross section dataset derived by the aggregated household expenditure data for EU15 countries, published by Eurostat as part of the national accounts, and a cross section dataset based on the household budget surveys of five European countries. The estimated household demand system of equations is integrated in an Input-Output model based on Supply and Use table, recently proposed by Kratena and Streicher, to have a better representation of the European household budget allocation behaviour in response to change in commodity price, total available income and household characteristics. A set of policies and socio-demographic scenarios is analysed through the resulting Econometric Input-Output modelling framework with a demonstrative purpose.