TITLE: DESAGGREGATION IN INTERREGIONAL INPUT-OUTPUT MODELS - AN ESTIMATION APPROACH FOR DISTORTIONS.

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ABSTRACT:

Effects from a sectoral desaggregation have been broadly discussed, mostly the conditions for the neutral, unbiased case. The paper concentrates on the reverse operation, a desaggregation, under a special aspect: unknown relations because of data restrictions. In addition, the standard analysis is extended by observing systems with sector-ral combined with regional differentiation, like interregional models of the Isard type. It can be shown that correlations between intermediate coefficients together with exogenous proportions are responsible for desaggregation effects. The proposed estimation approach, based on a power series analysis, provides the identification of positive and negative distortions including neutral desaggregation as special case. Empirical effects are often small, but from a heuristic viewpoint the approach gives a general look into structural relations and hints on desaggregation patterns for different purposes.