

Comments on Brazilian structural change during 2000-2008

Topic: Structural change

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Improvements on the production of national accounts data in Brazil favor the Brazilian economy structural analysis by input-output techniques. The quarterly publication of national accounts involving twelve production sectors allows the working out of tabulations at constant prices ever since 1992. Besides, updated supply and use tables have been provided in both 12 sectors x 12 products and 56 sectors x 110 products, with deflators, allowing the calculation of past supply and use tables at constant prices. Taking advantage of these developments, two aggregation versions were selected for analyzing structural change for the 2000-2008 period, one showing the services sector in greater detail, and the other giving more room to industry sectors, both covering a total of 12 sectors. These two aggregation alternatives paved the way to identifying both major industrial and services structural trends. Simulations over 2000-2008 show a slight decreasing of intermediate consumption participation in total national production required to meet the final demand requirements of 2008, suggesting a loss of intermediate transactions specialization during the period. This trend is more pronounced for the Brazilian "Transformation Industry", which aggregates all industries with the exception of Mining, Electricity and Water Utilities, and Construction. Along with the analysis of value added, imports, exports and indirect taxes, always in the same period, these trends reinforce the views that a deindustrialization process have happened in the Country during the recent past.