

Structural Analysis of Industry and Services Emphasizing on Production Services and New Economy: The Experience of Iran and other Selected Countries

Topic: Input-output analysis for policy making 3

Author: Seyed Iman Azad

Co-Authors: Ali Asghar Banouei, Majid Rahmanifirouzjaei, Najmeh al sadat Azad

Knowledge based economy in the perspective plan, and also recently new economy with eight characteristics, have been given due attentions by the policy makers in Iran. The main question is that how one can determine and possibly measure the scope of economic activities which constitute the new economy? We think that per-requisite to analyses the posed question is, first of all to specify the new concepts, classifications and methodology. Based on these aspects, substitution between production services and distribution services within IO techniques is considered as one of the most important characteristic of the new economy. Production dependency ratios and propensity to consume are used to quantify the substitution. For this purpose, we use IO TS of developed countries (France, England, German, Italy and Japan) and developing countries (Iran and India). Our findings reveal the existence of substitution in developed countries whereas opposite trend is observed for developing countries.