The Matrix of Social Accounting (SAM) for analysis of the welfare Brazilian programs

Topic: Welfare programs
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This article presents a matrix of social accounting (SAM) for Brazil. This is constructed using the 2010 input-output matrix (MIP), the demographic census of 2010, the integrated economic accounts (CEI), also of 2010 and the family budget survey (POF) of 2008-2009, all surveys conducted by IBGE, institute of official statistics from Brazil. A SAM aggregates economic and social information into the standard structure of a MIP. The MIP informs how the various sectors that make up an economy relate with each other. The input-output model, originally developed by Leontief, allows us to establish the degree of technical dependence among the various branches of activity of a national or regional economy. Such precision makes it possible to glimpse how an increase in demand for a particular sector has repercussions throughout the economy. SAM describes how wealth generated and allocated is distributed among social classes or income brackets. In detailing the household consumption structure, a SAM shows how the sectors of activity are impacted by variations in the income of each social class. The purpose of the SAM presented here is to investigate how a typical demand shock has repercussions throughout the economy, not only in terms of activities most affected, but also in relation to the income distribution pattern of the whole society. A proposed exercise in this work is to quantify the economic and social response to a more intense income distribution policy: a reduction of taxes for the wealthier classes is thus compared to an increase in the volume of welfare programs (such as example, Bolsa Família program, created by the Federal Government in 2004).