

How the global demand linkage was changed after the world finance crisis?

Topic: Feedback Session 3a

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(1) the research question.

In recent years, economic globalization shows signs of retrogression. We argue that the signs can be backdated to the world finance crisis. In this article, we will take a detail portrait on the evolution of global economic interaction and verify our argument. Our focus will be demand linkage among sectors in major countries, from a perspective of global economy.

(2) the method used.

Based on multiple regional input output (MRIO) model, matrixes of demand linkage among the major countries for every years are constructed.

Demand linkages among the major countries are divided into 3 part: intra-regional multiplier effect, inter-regional spillover effect, inter-regional feedback effect, using the decomposing model, which was initiated by Miller(1963), and further extended and applied by Round(1985,2001), Dietzenbacher(2002), Pan(2015), Zhang(2017),etc.

Linkage networks are analyzed with social network analysis (SNA). Network visualization, triad census and cohesion metrics will be applied.

(3) the data used.

Which is from updated World Input-Output Database (WIOD), newly released in 2016, providing an annual time-series of WIOTs from 2000 to 2014. It covers forty-three countries, including all twenty-eight members of the European Union and fifteen other major economies.

(4) the novelty of the research.

Applying MRIO-based intersectoral demand linkage networks to mimic the global economic systems involving regional and world trade. Not only metrics measuring regional demand linkage are derived and analyzed with MRIO models, but also metrics measuring the network are derived and analyzed with SNA. So we can take a more systemic and explicit picture on the evolution of global economic interaction.