Comparison and Components of Backward Linkages in a Social Accounting Matrix
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Abstract:
Techniques developed for the analysis of input-output tables (IOT) have been applied to Social Accounting Matrices (SAM) in recent years. Because these techniques employ fewer exogenous variables, they increase interdependencies between accounts, resulting in different backward linkages depending on the level of endogenization. Any economic interpretation of these results, however, must take account of the fact that these differences are due both to direct effects and feedback between endogenous variables (endogenization effects) and to the variation in income represented by exogenous variables (scale effect). In this paper, we seek to identify and describe both components of backward linkages, applying our findings to the case of the Aragonese economy. Specifically, we use the results obtained to analyze the relevance of the Firms, Savings and Investment, Public Sector and Foreign Sector accounts.

Keywords: SAM; Backward linkages; Decomposition; Aragonese economy

Archives: Methods and mathematics; Social Accounting Matrices

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