Index

Armington elasticities 76, 102
Asia-Pacific expenditure shifts 173–7
Asian Currency Crisis 125, 126, 129, 144, 160
Asian International Input–Output (AIO) Tables 2, 30–31, 54–5, 77, 109, 178, 195
updating procedure 203–6
automakers, aid to suppliers 100
‘Automobiles to the Countryside’ policy 161
Baldwin, R. 119
banks
assessment of business risks 92–5
China, impact of crisis 147
and monetary circuit 85–9
China
counter-crisis fiscal expansion 160–64, 165–6
employment trade 56–9
exports to US 28
growth rate 145–6
impact of economic crisis 28, 32, 63, 144, 145–8, 157–9
inter-regional production structure 153–7
output, impacts of economic crisis 32
price shock exports 81
vertical specialization 115–18
see also triangular trade through China
Cline, W.R. 171
clothing industry, impact of financial shocks 83, 104
Coastal Area Development Strategy, China 153–5
computers and electronic equipment industry, multiplier effects 42
consumer goods, trade flows 21, 28
control totals, input–output tables 193
counter-crisis fiscal expansion, China 160–64, 165–6
credibility index 127–9
credit crunch 93
impacts on China 147
current account imbalances 173–7
rebalancing 169–89
demand
and Asian economy 127
domestic, effect on labour market 55–60
demand-driven I–O model 100–102
demand items, reactions to economic crisis 63
disruptive supply-driven shock, simulating 102–4
domestic demand, effect on labour market 55–60
domestic multiplier effect 31–2
economic crisis
impact analysis 195–203
impact on China 144, 145–8, 157–9
impact on employment 51–71
impact on Factory Asia 125–35
impact on industrial output 28–40
and vertical specialization 110–18
economy size and vertical specialization 115
employment, impact of global economic crisis 51–71
employment gain potential 56
employment give-out potential 56
expenditure allocations 175–6
expenditure shifts 173–7
exporter-specific variables and intermediate goods trade 132
exports 13–14
  China 147, 148–9
destinations 14–21
to USA 28–30

factor demands, effects of rebalancing 182
Factory Asia, impact of financial crisis 125–35
feedback effect 48–9
final demand sectors, input–output tables 193
financial crisis, see economic crisis
financial market stability and intermediate goods trade 131
financial sector, China, impacts of economic crisis 147
financial shocks
  chain of causalities 94
  impact measurement 75–81
  modelling 83–92
  real transmission channels 73–97
finished goods market and intermediate goods trade 131
fiscal expansion, China 160–64
flow variables, effect of shocks 93
forgone GDP growth rate 61–3

Ghosh model 75–7, 96, 100–102
    global credit crunch impacts on China 147
    global economic crisis, see economic crisis
Godley, W. 98
  gravity equations and Factory Asia 125, 141–2
  growth rate, China 145–6

Hayakawa, K. 125
  ‘Household Appliances to the Countryside’ policy 160–61, 168

Hunan region, China 156–7
effects of counter-crisis fiscal measures 163
Huazhong region, China 156–7
Hummels, D. 107, 108–9

IDE-JETRO 149–53
imbalances 173–7; see also rebalancing

impact analysis
  global economic crisis 195–203
  of rebalancing 177–9
impact decomposition 32
Imported Real Supply-driven Impact Coefficient (IRSIC) 75–6, 78
importer-specific variables, intermediate goods trade 129–31
imports, China 148
Indonesia
  exports 28–30
  output 36, 39
industrial output, see output
input coefficient matrix 202–3
input–output analyses 191–203
  of impacts of economic crisis 30–40
  of post-crisis rebalancing 169–89
input–output models 51
  for employment analysis 52–4
input–output tables 77, 191–5; see also Asian International Input–Output Tables
inter-country multiplier effects
  labour markets 55–6
  production 32–9, 42
see also triangular trade, multiplier effect
intermediate goods
  production values 126–7
  trade 126–35
transactions model 138–43
international allocations of deficits 175
international I–O tables 77, 193–5; see also Asian International Input–Output Tables
inter-regional multipliers 155–7
inter-regional production structure 153–5
intra-regional multipliers 155–7
investment, reactions to economic crisis 63
I–O models, see input–output models
IRSIC (Imported Real Supply-driven Impact Coefficient) 75–6, 78

Japan
  intra-regional and inter-regional multipliers 155–6
  output, impacts of economic crisis 32–6
Index

price shock exports 78
supply-driven shock effects 104

Keynes, J.M. 171
Korea, output, impacts of economic crisis 36
Krugman, P. 89, 171
Kurata, D. 149

labour markets
impacts of economic crisis 51–72
structural change 55–60
Lavoie, M. 98
Leontief inverse matrix 108
Leontief model 75, 96, 100–102
Li, R. 147

Malaysia
output, impacts of economic crisis 39
price shock imports 78
market access and intermediate goods trade 131
monetary circuit
basic model 85–9
effects of shock 93–6
and inter-industry supply chains 83–92
open model 89–92
multiplier decomposition method 47–50
multiplier effects 30–40
and labour markets 55–60, 63–7
triangular trade 40–42
negative multiplier effects 30–40
Ng, F. 119
non-tradable production 187

Ohlin, B. 171
output
Asia 28–40
China, impacts of financial crisis 157
overlap, structural 182–7
overlap indexes 184–7

parts and accessories, trade flows 21
Philippines, output, impacts of economic crisis 39
Pitigala, N. 106
Prasad, E.S. 169
price index 131
price shocks 77–83
production values, intermediate goods 126–7
RAS 205, 206
real transmission channels of financial shocks 73–97
rebalancing 169–89
impact analysis 177–9
structural implications 180–87
regions, China
and counter-crisis measures 162–3
impacts of financial crisis 157–9
inter-regional I–O table 149–53
inter-regional production structure 153–7
regional development 153–7
regional disparity alleviation policies 161–2
regional multipliers 155–7
Repullo, R. 89
risk assessment by banks 92–5
sector-specific price index 131
sectoral consequences of rebalancing 180–82
sectoral output, impacts of economic crisis 32–40
shock transmission 13–28, 197–203
China 146–8, 159
modelling 75–92
real transmission channels 73–97
triangular trade 13–28
Singapore, output 39
size of economy and vertical specialization 115
Somavia, Juan 51
Special Economic Zones, China 153
stock variables, effects of shocks 93–4
structural change in labour markets 55–60
structural implications of rebalancing 180–87
structural overlap 182–7
Suarez, J. 89
supplier aid by automakers 100
supply chain impacts of financial shocks 75–83
Index

supply-drive I-O model 100–102
supply-driven shock 77–83
  simulating 102–4
Taiwan, output 36
Tao, L. 148
textile industry, impact of financial shocks 83, 104
Thailand
  output 39
  price shock imports 78
trade
  intermediate goods 126
  trade flows 14–28
  triangular trade, see triangular trade through China
  see also exports; imports
transfer problem 171–2
transmission mechanism, see shock transmission
Transnational Interregional Input–Output Table between Japan and China (IDE-JETRO) 149–53
triangular trade through China 1–2, 11–44
  multiplier effect 32–42
  and shock transmission 13–28
  and vertical specialization 116
United States
  current account deficit 173–4
deficit reduction allocation 175
demand and Asian economy 30–40, 127
  as export destination 14
  trade flows 21–8
  see also triangular trade through China
value-added items, input–output tables 193
vertical production chains 6, 7, 106, 108, 109, 110, 119
vertical production networks 5, 6, 106, 107, 111, 117, 119
vertical specialization 106–19
  China 115–18
  impact of economic crisis 110–18
  vertical specialization indices 107–10,
  121–4
wages
  exporter's, and intermediate goods trade 132
  importer's, and intermediate goods trade 129–31
Yeats, A.J. 119
Yonemoto, K. 148
Zhang, Y. 148, 149
Ziyang, Zhao 153