

Microeconomic fundamentals and of regional accounts for the building of an intra-national Spatial Price Index

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Abstract

This is an exploratory study on the construction methodology of the intra-national spatial price index. A hindrance to the construction of this index is the comparison of items of subnational basic baskets, due to differences in production and consumption in different regions. The proposed conceptual and methodological statements allow an alternative approach to the construction of the mentioned index. From the demand side it starts from the concept of basic needs, which gives rise to four conditions that determine the 'basic needs threshold function'. Two of these conditions belong to the public institutional management: information to consumer (and all economic agents) and efficiency of regulation, supervision and / or control of prices, quantity and quality of goods and services; and two of them belong to the supply side of private agents, community agents, cooperative agents, or State agents, separately or altogether in production or provision economic alliances: market structure and scale of production. For the specification of these variables are used microeconomic foundations and regional accounts.

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