Does the structure of social network determine

the economic ripple effect?

Sachiko Kazekami\*

Abstract

This study demonstrates that the structure of social network determines the economic

ripple effect. First, the social group with many number of relations has larger economic

ripple effect than that with less number of relations. Second, the social group with many

topological relationships has less economic ripple effect. This paper uses the Japanese

General Social Survey for a structure of social network, found some characteristics by

network, divides the samples of National Survey of Family Income and Expenditure as

well as Japanese General Social Survey by characteristics, and examines the effects of the

network structure on the economic ripple effect.

JEL code: J23, Z13, D12

Keywords: network structure, consumption of goods, ripple effect, labor demand

\* Keio University, Faculty of Business and Commerce. 2-15-45, Mita, Minato-ku, Tokyo, 108-8345, JAPAN as of April 1st, 2018.