The quantities of all goods, including the labor services, are measured in physical units defined in each instance as "the amount purchasable for $1, at 1958 prices."

Captial letters are used to designate rectangular and square matrices, lower case Latin letters to describe column and row vectors, and Greek letters to define scaler magnitudes, except matrix dimensions, which are in parentheses:

A—square, $(n+l-1)$ by $(n+l-1)$, matrix of input coefficients of all national and local industries, excluding households.

A^*—$\left[\begin{array}{c|c} A^*_{NN} & A^*_{NL} \\ \hline A^*_{LN} & A^*_{LL} \end{array}\right]$ augmented square, $(n+l)$ by $(n+l)$, matrix of input coefficients of all sectors including households, partitioned into:

A^*_{NN}—square $(n\times n)$ submatrix of input coefficients describing flows from national to national industries.

A^*_{NL}—rectangular $(n\times l)$ submatrix of input coefficients describing flows from national to local sectors, including households.

A^*_{LN}—rectangular $(l\times n)$ submatrix of input coefficients describing flows from local industries, including households, to national industries.

A^*_{LL}—square $(l\times l)$ submatrix of input coefficients describing flows from local to local industries, including households.

w'—row vector of $(n+l-1)$ labor input coefficients of all national and local industries, excluding households.

c^*_0—column vector of the original $(n+l)$ consumption coefficients, *i.e.*, the input coefficients of households, including the coefficients describing inputs from from households to households.

c^*_1—column vector of $(n+l)$ consumption coefficients, including the input from households to households, adjusted to the change in the level of living which has resulted from the shift in final demand.

x—column vector of $(n+l-1)$ total outputs of national and local industries, excluding households.

x^*—$\left[\begin{array}{c} x_N \\ \hline x^*_L \end{array}\right]$ column vector of $(n+l)$ total outputs of all sectors partitioned into:
x_N column vector of (n) total outputs of national industries, and
x^*_L column vector of (l) total outputs of local industries, including households.

$\hat{X}_N$—diagonal matrix with the total outputs of national industries entered on its principal diagonal in the same order in which they are shown in x_N.

m, h, q—three column vectors of $(n+l-1)$ quantities, measured in 1958 dollars, of national and local goods, excluding labor, representing respectively the military, the household and the nonhousehold civilian component of the original, total final bill of goods.

m^*, q^*—two column vectors of $(n+l)$ quantities of military and nonhousehold civilian final demand, including labor.

v_M, v_H, v_Q—three amounts of labor directly entering respectively into the military, the household and the nonhousehold civilian demand components of the original, total final bill of goods.

$\hat{M}^*_L$ $\hat{Q}^*_L$ —two diagonal $(l\times l)$ matrices of quantities of local goods, including labor, representing respectively the military and the nonhousehold civilian component of the original, total final bill of goods.

X^R_N—rectangular $(n\times r)$ matrix each column of which shows the output levels of all national industries in one particular region.

P_N—rectangular $(n\times r)$ matrix each column of which shows what fractions of the total output of each of the national industries are produced in one particular region.

D^*_MP, D^*_Q—rectangular $(l\times r)$ matrices the columns of which represent respectively proportions of the total military and of nonhousehold civilian final demand for the products of different local industries, including households, absorbed in one particular region.

α—the ratio of the magnitude of each element of total final military demand after the shift from military to nonmilitary expenditure to its magnitude before the shift.

β—the ratio of the magnitude of each element of the household and of the nonhousehold civilian componens of total final demand after the shift from military to nonmilitary expenditures to its magnitude before the shift.