

Green Growth Accounting with Combined Use of Hybrid Input-Output Tables and Supply - Use Matrix

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Korea recently adopted an eco-friendly policy on economic growth called the Green Growth Policy. To find a theoretical base for the policy, this study conducts a structural decomposition analysis of carbon dioxide emission changes in Korea based on green growth accounting which combines hybrid input-output tables with supply and use matrix. The advantage of incorporating Supply-Use matrix in a structural decomposition analysis lies in improvement for consistent forecasting of GDP based on different scenarios of CO₂ emission targets because the Supply-Use matrix links Input-Output Tables to National Income Account. This study estimates the growth rate of future gross domestic product based on the recently adopted CO₂ emission reduction targets and the effect of CO₂ reduction on employment through combined use of hybrid input-output tables with Supply-Use Matrix.