Transnational Interregional Input-Output Tables: an introduction

Topic: Why Do Regions Matter? Recent Developments in Interregional I-O Analyses II
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The Institute of Developing Economies (IDE-JETRO) has been constructing international input-output tables (IIOTs) for more than 40 years. These datasets are well-recognised as a powerful analytical tool for the study of industrial structure and production networks across countries, and thus have earned enthusiastic attentions of users world-wide.

In the last few years, however, some prominent academic institutions and international organisations have simultaneously launched new projects for constructing IIOTs, such as the World Input-Output Database (WIOD) of the European Commission, the Inter-Country Input-Output Tables by the Organisation for Economic Co-operation and Development (OECD), or the Eora database by the University of Sydney. While this clearly reflects an increasing demand for IIOTs, it also implies that each project should endeavour to differentiate its own product (i.e. IIOTs) from others in order to meet the multiple needs of users.

One of the possible ways for a project to promote its competitiveness is to broaden the country coverage, so that it can appeal to a wider range of users, say, from trade specialists to environmental economists. This challenge however entails significant monetary and non-monetary cost, as it is known that the more countries the table covers, the more difficult it will be to harmonise constituent national tables into a common format. Another strategy is to specialise in a limited number of countries, yet enriching the tables with specific regional information. IDE-JETROâ€™s new project of constructing transnational interregional input-output tables (TIIO) pursues this direction. The basic idea of the scheme is to link interregional input-output tables of several countries into a single matrix using the import/export data of the regional customs of individual countries. In this paper, the basic framework of the table is introduced in order to facilitate the recognition of the table among potential users.