

Assessing the Potential Sudden Reduction of the Supply of Oil and Gas on the Different Sectors of the Iranian Economy

Topic: Energy input-output analysis I

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The import of oil gas which constitutes more than 40 percent of total supply and drains more than 8 billion Dollars of the foreign exchange of the country per year. In order to reduce the import dependence and also reduce the burden of the drained annual foreign exchange, the Government has recently resorted the quota system. But this is not the end of story: the potential initiation of oil gas embargo is another issue facing the Iranian economy. To what extent such potential treat would damage the different sectors of the Iranian economy is the main concern of this paper. Since the standard Leontief and Ghosh type models are not suitable to deal with such issue, a combination of the two in the framework of mixed variables or mixed model is used. For this purpose, we use a 147x147 I-O table of Iran.