

Construction of Regional Input-Output Table

Topic: Regional input-output modeling 5

Author: Fatemeh Bazzazan

Co-Authors: Ali Asghar Banouei, Mehdi Karami

More than three decades, considerable efforts have been made to construct single regional input-output table in Iran by using different methods in the absent of the survey method. The Iranian literature shows that generating regional input-output coefficients can be considered in the two main periods: in the first period (1970- 2004), the researchers as well as regional analysts have altogether over looked the two prime issues: one is the neglect of spatial dimensions with respect to data consistencies between national and regional levels, and the other is the neglect of the differences in size among regions relative to the nation. In the second period (2005 to now), the researchers considered other main issue respect to the regional economy: the smaller the size of the region relative to the nation, the more open the regional economy is likely to be and hence the more likely a significant proportion of goods and services will be imported from other regions as a result, the propensity to import varies inversely with the scale of area; thus larger regions have high multipliers because they import less. With due attention to this, many studies have been generated regional coefficients from national coefficients for considerable number of regions. In this period the main data was output with consistency between regional and national levels. What is observed in this period by using output in the location quotient formula, it is very sensitive to the international oil price in the oil produce regions and makes the size of the sector and region greater artificially. To ignore the oil price from the size of the region, in this study we consider sectoral employment with consistency at the regional and national levels, we will also exclude the import from the input coefficients.

Paper to be presented to The 20th International Input-Output Conference, Bratislava, Slovakia, 26-29 June 2012.