

Research on the Economic Impacts of Railway Industry in China Based on Input-Output Analysis

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Author: Xuemei Li

Co-Authors: Jun Yan

Recently there is growing public concern about the development of Chinese railway industry, and it is even become one of the critical issues that how much influence railway industry have on social economic. The Chinese railway industry is taken as research object; the static and dynamic input-output model is established to research the interaction between railway industry and other industries in this paper. The Input-Output model is an effective method of using for studies on incorporate structural economic relationships, which focuses on inter-industry linkages by way of intermediate deliveries of goods and services. It has been used in many fields including transportation. This paper tries to find an approach to estimate and evaluate the economic impacts from development of railway networks within the multi-sectoral context in China. The paper analyzes the developing situations about railway industry in China by static input-output modeling, and using dynamic input-output model to update the input-output tables, which reveals the interrelation between railway and other national economy industries and the changes of railway's development phase. Based on 1987-2007 linked input-output tables, the result shows that Chinese railway industry needs to be improved its status in the national economy continually. Meanwhile, we find out further shortcomings we face currently and the measures we need to take at once to step over the gap between China and developed countries.