

Multi-Country and Multi-Sector Oligopolistic Market Modeling by Using the BRICs International Input-Output Table 2005

Topic: CGE and econometric input-output modeling III

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The purpose of this study is to explain the international trade by developing a multi-country/multi-sector model, seven countries and twenty sectors, which is built upon the BRICs International Input-Output Table 2005. This model is the static one which determines sectoral price and output simultaneously along the framework of input-output table. In order to describe the reality of the strategic interaction among firms, we incorporate the oligopolistic market. There are some homogenous goods in the domestic market and the differentiated seven goods produced by each country's firm in the world market. Along with this, this model realizes to theoretically calculate the number of firms. By using this model, we will simulate the impact of the international trade policy on the world economy.