

A Regional Social Accounting Matrix for India 2007-08

Topic: Regional input-output modeling I

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India is a large country with huge diversification in geography, climate, natural endowments, infrastructure, production structure and socio-cultural development. These factors affect the economic performance of a state relative to that of others and therefore, a widespread regional disparity prevails. A regional SAM may visualize a more precise and comprehensive picture of an economy. This may be helpful for researchers and policy makers to recommend suggestions that may be most suited to the specific problems of the regions and better allocation of resources.

The present study attempts to build a regional SAM of India for 2007–08. It is an extension of the regional SAM of India for 2003-04. State level input-output table for year 2003-04 have been used for this study. The regions have been categorized as poor, middle, rich and special category income groups on basis of state gross domestic product for year 2003-04. The regional SAM 2003-04 consists of 41 sectors and nine categories of households based on occupation and location (i.e. rural and urban). The gross value added has been divided into two factors of production, i.e. labour and capital. Sector wise export and import of different states have been estimated on the basis of sector wise export/import-output ratio at all India level and output at state level. Data from RITES and other agencies have been used for estimation of inter regional trade. For constructing regional SAMs for the year 2007-08 All-India SAM for 2007–08 has been proportionally disaggregated into four regional SAMs based on regional SAMs for 2003-04. The main data sources used in the construction of these regional SAMs are All India Input-Output (I-O) table for 2003-04, Central Statistics Office (CSO); Directorates of Economic and Statistics of different states; SAM for India 2007-08; 66th round of survey on consumer expenditure, National Sample Survey Organization (NSSO) and Income-Expenditure Survey 2004-05, National Council for applied Economic Research (NCAER).

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