Policy-oriented Input-Output calculations for decisions of the government and business in Russia (experience of IEF RAS).

Topic: (1.2) Special Session: Input-output approach and impacts of economic policy in the emerging markets (1)
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The research question

Transformation of the Russian economy is still far from completion. It means that economic dynamics is affected by changes in the structure of production, incomes and prices. At present moment Russia is faced with the choice of the new economic policy in many areas: demography, investments, foreign trade, energy sectoretc. Therefore all economic agents need estimate of economic policy effects as at the macro-level; as at sectoral, regional and institutional levels such estimates are hard to make in current conditions of high differentiation of economy by factors of growth rather difficult. Development of toolkit of the complex analysis and forecasting is necessary for the solution of practical tasks in the field of economic policy.

The method used

Structure of the Russian economy requiresdevelopment of models with use of I-O approach. But one model is not enough for the solution of all range of tasks. Complex I-O models,capable to complement each others, are required for such a task. Current system of I-O calculations developed and used in Institute Economic forecasting RAS (IEF RAS) includes dynamics I-O model, balance-based I-O model and multiplierr effects model. Each of them solves the circle of problems.

Russian Interindustry Model (RIM) is dynamic INFORUM-type model which represents the top-level of modeling process, defining the main parameters of the forecast and forming key long-term restrictions for economic development.

I-O model CONTO used for creation more specific and detailed forecasts for mid-term prospect. In this model monetary, tax and foreign trade blocks are described in details. The model CONTO also allows to make forecasts for more than 80 regions of Russian Federation.

The model of multiplicators allows to receive quick estimates of effects from large investment projects as at the macroeconomic level as at regional level. Current version of this model allows to estimateeffects of the international projects (for example in energy sector).

The methodology of forecasting of dynamic and structural characteristics of the Russian economy with use of a complex of the I-O models developed in IEF RAS can be of considerable interest.

The data used

All models of IEF RAS based on actual official statistics and computed I-O tables for Russia in current and constant prices for 1980-2013.

The novelty of the research.

The system of calculations on the basis of tables which allows to solve practical problems is created. This system is demanded not only by expert community and the government, but also by business and is used as the instrument of coordination of economic policy and in case of decision making on implementation of large investment projects.