

## **Assessment of Regional disparities in India: survey-based regional input-output vs a regionalised location quotient based input-output model**

Topic: Modelling Carbon Footprints in the MRIO and CGE frameworks

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1) Title of the Organised Session:

Modelling the Carbon Footprints in the MRIO and CGE frameworks

2) The names and institutional affiliations of the organizers:

Dr. Nino Javakhishvili-Larsen, Head of Regional Model, Centre for Regional and Tourism Research, Denmark

Prof. Kakali Mukhopadhyay, Gokhale Institute of Politics and Economics, Pune, and Department of Agricultural Economics, McGill University, Canada

3) Abstract describing the theme/objectives of the session:

Title: Assessment of Regional disparities in India: survey-based regional input-output vs a regionalised location quotient based input-output model

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The Indian economy is characterized by unequal distribution of natural resource endowments with imperfect mobility and indivisibility in production factors, imbalance in infrastructure supply and generally, an unequal growth profile of regions. These differences also imply that any economic stimulus will promulgate a different response across various geographical regions. It has been recognised and illustrated, nationally and internationally, that Input Output Transaction Tables (IOTTs) can be used as a tool for planning the regional development by optimizing the sources available in the region. The regional input-output tables can be constructed using survey method or non-survey methods depending on the level of availability of information. In the case of states in India, the investment mandated in terms of labour, time and financial resources for a survey-based method often outweighs the benefits of compiling the regional input-output table using a survey method. However, the model based on survey-methods is expected to be more robust than the model constructed using non-survey methods, like the location quotient method. In this paper, the different coefficients are compared for the two models constructed for a region of India, to understand if there is a pattern and if either of methods is more suited than the other for certain industries/sectors.