UNIVERSIDAD LOYOLA
Departamento de Economía

Universidad LOYOLA

LOYOLA ECON RESEARCH SEMINAR

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11:00 am – 12:00 pm

"FIGARO meets FIDELIO: the research potential of two projects in a single act"

By

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Room: A1.08 Seville campus

Link to join the Seminar: https://loyola.webex.com/meet/ldbeltran

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TITLE

FIGARO meets FIDELIO: the research potential of two projects in a single act.

ABSTRACT

To understand the potential in these two tools developed by the Joint Research Centre, we must be clear about the meaning of two main actors: FIGARO and FIDELIO.

The first of them is FIGARO: Full International and Global Accounts for Research in input-Output analysis. Jointly with the European Commission's Joint Research Centre, Eurostat has developed a methodology for the construction of the FIGARO tables. It constitutes a new statistical tool that produces an EU inter-country supply, use and input-output tables, from EU official data with complementary information on the main non-EU trading partners. The FIGARO tables allow analysing the socio-economic and environmental effects of globalisation in the EU and answering policy questions. Since 2021, they are produced annually, linking national accounts with data on business, trade and jobs for EU Member States and 18 main EU trading partners (Argentina, Australia, Brazil, Canada, China, India, Indonesia, Japan, Republic of Korea, Mexico, Norway, Russian Federation, Saudi Arabia, South Africa, Switzerland, Türkiye, United Kingdom, United States); a 'rest of the world' region completes the FIGARO tables. To ensure timely provision of FIGARO tables for EU policy analysis, projections are made to obtain estimates for year T - 2, with T being the year of FIGARO release. The FIGARO tables are benchmarked against the most recent macroeconomic aggregated and respect the same quality standards as official statistics.

For his part, FIDELIO stands for Fully Intercountry Dynamic Econometric Long-term Input-Output. It is an enlarged multi-country multi-sectoral econometric input-output (IO) model. The model has been designed to evaluate key European policies whether they are related to growth, investment, trade, innovation, energy climate or policies. It conducts scenario analysis on the costs and impacts of policy measures providing their economic — such as jobs, value added and investment — and environmental effects —

such as resource use or air emissions. Specifically, the peculiarity of the model is its flexibility. With a breakdown in 45 (+RoW) countries and 64 economic sectors, the model has FIGARO in its core, which can be extended according to the type of analysis required, including various modules, to make all the main variables endogenous in a general equilibrium modelling framework. Depending on the type of policy under analysis, the various modules allow for specifying in a more or less detailed way the different components of the economy, as well as to use different approaches —from an approach closer to computational general equilibrium (CGE) models to an approach closer to econometric models —and compare the results. In particular, different closing rules can be used: e.g. assumption of perfect flexibility of prices and quantities versus rigidities and inertia in the economic behaviour of agents.

KEYWORDS

FIGARO, FIDELIO, Input-Output analysis, Global value chain, General equilibrium