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(II) Title of the paper

"Gas only? Sources of economic growth in major sectors of the Russian economy"

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(VI) Abstract

A sharp decline in productivity after the plan-market transition in many former socialist countries is a challenge for economic growth theory. According to Blanchard and Kremer (1997), the expected fast approach to the frontier after the transition did not take place in East-European former socialist countries, and the former republics of the Soviet Union. Further analysis of origins and effects of the crisis, hampered by the availability of proper data of inputs, output, and prices, may be one of possible clues for the puzzle.

This paper presents a supply-side analysis of six major sectors of the Russian economy in transition, based on the growth accounting system of Jorgenson and Griliches (1967). According to the theoretical framework, we take into account changes in quality of labor and capital inputs. To build a labor input measure, we split hours worked by different categories of employee by age, gender, and education. Capital services estimation is based on PIM capital stock values, which were obtained with long time series of investments by five kinds of capital. A detailed historical statistics of investments used has only recently become available. Sensitivity analysis of capital services and productivity measures with different sets of official and alternative investment price indices is provided.

This dataset of growth accounting measures for the Russian economy at the level of industries is considered as a part of the World KLEMS database, and made comparable to datasets currently developed for Brasil, China, India, Japan, the European Union, and the United States.