Most of the world’s population and the vast majority of the world’s poor live and work in villages. Their activities are usually centered in households, but interactions among households shape the impacts of policy, market, and environmental changes on rural production, incomes, employment, and migration. This book presents a new generation of villagewide economic modeling designed to capture these interactions when assessing the impacts of policy, market, and environmental changes on rural economies in less developed countries.

J. Edward Taylor and Irma Adelman present a general framework for modeling village economies based on computable general-equilibrium techniques, estimate models for villages and a village-town in five different countries, and use these models to conduct a series of comparative experiments. The findings offer explanations for some paradoxical outcomes of exogenous shocks as their influence wends its way through rural economies, and they underline the importance of adopting a local economywide perspective when designing development policies.
Village economies
Village economies

The design, estimation, and use of villagewide economic models

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with contributions from
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Subramanian, and Erik Thorbecke
For Peri, Sebastian, and Julian

For my colleagues
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