

Agriculture in 2016_Dynamic Link

2016년 8월 9일 화요일 오후 6:12

Tasks and Time table

1. Static link (7/27-7/31)

- a. Static link with 53 industry CGE is done.(7/28)
 - i. Combine CGE of Agri_2016_static_link_alt.gms and bottom up of integrate_Ag_0129.gms
 - ii. New hybrid file Agri_2016_link_conv.gms is saved in \CGE\Agri_Link
 - iii. Distribution : Agri_Link_2016.zip. This zip file contain
 - 1) Agri_Link.gpr project file
 - 2) Agri_2016_link_conv.gms
 - 3) All data files are saved in \data sub-category
 - iv. Convergence speed slowed down. With $1e-4$ criterion, 51 iterations were required for convergence.

2. Recursive dynamics (year by year convergence) (8/1-8/14)

- a. Converge at time $t \Rightarrow$ update state variable at time $t+1 \Rightarrow$ converge at time $t+1$ 반복
- b. Distribution: Agri_Link_dyn1_2016.zip
 - i. CGE/Agri_Link/Agri_Link_dyn1_20016 zipped
 - ii. Agri_Link.gpr: project file
 - iii. Agri_2016_link_recursive.gms: cge model
 - iv. .W data: contain all input files
- c. Two problems
 - i. Time consuming : It takes around 1050 iterations to converge all 25 time period. Convergence criterion is $\max(\text{abs}(\text{dev_xcrep})) < 1/100$, $\max(\text{abs}(\text{dev_parep})) < 1/100$;
 - ii. Too rapid growth in early years
 - 1) Since interest rate is normalized to one. Initial year capital $= \text{sum}(\text{Capital payment IO}) / \text{interest rate}$ becomes relatively small
 - 2) Then the initial year investment becomes large compared to initial year capital stock
 - 3) Then the capital increase fast in early years.
 - 4) Early year growth rate exceeds 10%
 - 5) To modify that. Capital Accumulation formula becomes
$$Ks.Fx('Capital') = Ks.L('Capital')(1 - \text{delta}) + (0.88)\text{sum}(C, XAF.L('S-I', C));$$

(line 3206)
- d. Other characteristics
 - i. Need 2 iterations in unlinked model. . BU module needs two iterations to check convergence
 - ii. t is time (year) and iter is within t iteration indicator
 - iii. .. Res (., t) parameter is now used to store solutions of each iteration. The domain is changed to (.,iter)
 - iv. Converged solution for each t is saved in .. Con(., t) parameter.

3. Recursive dynamics (multi-year convergence) (8/15-8/30)

- a. Run standalone CGE
- b. obtain export variable from $t=0$ to $t=T_{\max}$: $EX_0(T)$
- c. Run Linked CGE with $EX_0(T)$ to obtain export variable $EX_i(T)$
- d. Run bottom up for each t with $EX_{i1}(T)$ as given
- e. Obtain import variable from $t=0$ to $t=T_{\max}$: $IM_i(T)$
- f. Run Linked CGE to with $IM_i(T)$ to update export variable $EX_{(i+1)}(T)$
- g. If $|EX_{(i+1)}(T) - EX_i(T)| < \epsilon$ stop, if not repeat $d \Rightarrow e \Rightarrow f \Rightarrow d$