

PHIL ISRAILEVICH CONFERENCE
SEMINAR IN REGIONAL ECONOMIC MODELING
FEDERAL RESERVE BANK OF CHICAGO

Chicago, Illinois
November 10, 1998

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- Good morning. I'm Michael Moskow, president of the Federal Reserve Bank of Chicago.
- Welcome to Chicago and the Bank.
- Proud to co-sponsor this seminar with REAL [say "re-AL"]the Regional Economics Application Laboratory.
- As you can see from the program, we have a very full day-and-a-half prepared for you.
- Speakers from around the world are here to discuss such important issues as input-output analysis, general equilibrium modeling, and spatial interaction analysis.
- These topics represent some of the most difficult regional modeling issues.
- I don't have to tell you how important and timely this conference is. Trade and interdependencies are vital issues to discuss now. It's becoming more apparent that the various regions and states of the world are closely linked together and can no longer be considered in isolation.
- This seminar complements and is an extension of the Midwest assessment that the Bank's research department conducted a few years ago.
- Appropriate that seminar held in honor of Phil Israilevich, the co-founder of REAL, and one of the Bank's economists, specializing in regional economics modeling.
- Phil's research interests were quite broad, encompassing both theoretical and applied research. He is, of course, most widely know for his work with input-output analysis, which you will be discussing later this morning.

- But his interests didn't stop there. His work included the development of the Midwest Manufacturing Index, an important index highly regarded throughout the Midwest. He also did research on the impact of the financial sector on regional economies. And on bank efficiency analysis.
- He worked through REAL to develop a model for regional economies. And he was invited to the Krygyz Republic, one of the republics of the former Soviet Union, to help establish an economic development strategy there.
- We remember Phil not only for his research, but also for his broad range of interests and cooperative work style. This is evident from just a quick look at his research co-authors. He worked with economists from all perspectives, as well as with examiners and public policy people in Supervision & Regulation.
- In many ways he embodied the best of the cultural transformation effort we're undergoing here at the Bank.
- Of course, he would be very interested in this seminar. Many of the topics are reflected in his writing. In fact, at time of his death, he was exploring alternative approaches to the problem of structural change in regional general equilibrium models, a topic you'll deal with this afternoon.
- Pleased you have chosen to come to Chicago to share your ideas and learn from each other. This is exactly the type of interaction that Phil found most helpful.
- Looking forward to an excellent seminar with a stimulating exchange of ideas
- Enjoy the seminar and your stay in Chicago
- With this welcome to you, my job for this seminar is completed— but yours is just beginning. I hope the seminar is helpful and informative.
- Believe Bill Testa from our Research Department will moderate first session. Bill?