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# Letter from Editors

In the second issue of volume 8 we publish three papers devoted to methodological issues related to – and empirically illustrated by – different problems of economic or socio-economic modelling on the regional or country level.

In the first paper, Andrzej Torój proposes a new method of constructing multisector-multiregion input-output tables. His method is based on the standard multisector tables and the models of spatial econometrics. Voivodship-level (NUTS-2) and subregion-level data (NUTS-3) on sectoral value added is used to fit a spatial model, based on a modification of the Durbin model. The structural coefficients are calibrated, based on I-O multipliers, while the spatial weight matrices are estimated as parsimoniously parametrised functions of physical distance and limited supply in certain regions. Additional restrictions are incorporated in order to derive proportions in which every cross-sectoral flow should be interpolated into cross-regional flow matrix. The method is illustrated with an example of regional economic impact assessment for a generic construction company located in Eastern Poland.

The second paper, by Renata Wróbel-Rotter, is devoted to the construction and analysis of a Bayesian macro-econometric hybrid framework, where the VAR model is equipped with the prior distribution that reflects information coming from some general equilibrium type model. The degree of economic restrictions is controlled by the weighting parameter. The impact of prior specification of the weighting parameter on the posterior of the impulse response functions (IRFs) is investigated. If the weighting parameter is set arbitrarily, the paths of the IRFs highly depend on its value. However, when full estimation under different priors is considered, there are clear similarities in the posterior time paths of IRFs in models with high values of the marginal data density.

In the third paper, Aleksandra Majchrowska and Paweł Strawiński estimate the gender wage gap in Poland and in the 16 NUTS2 Polish regions in 2010. They verify the predictions from the spatial monopsony model for Poland with a newly created, harmonized database for wages of individuals in Poland. According to the model, the unexplained part of the gender wage gap, identified with wage discrimination, tends to be lower in regions with more competition between employers. As the authors' analyses show, raw differences in wages between men and women are largest in the most urbanized regions, but a significant part of the differences in those regions can be explained by differences in workers' characteristics, especially by different sectoral structure of employment. The unexplained part of the wage differences, which in the literature is commonly attached to discrimination, is the highest in rural regions of Eastern Poland in line with the predictions of the spatial monopsony model.