

Abstract

This thesis examines linkages of the Czech air-transport sector to the rest of the Czech economy using the hypothetical extraction method (HEM) within the input-output analysis. In order to estimate air transport total linkages on the Czech economy together with linkages air transport has with its upstream and downstream industries, three different forms of hypothetical extractions using two input-output models (the Leontief and the Ghosh models) were applied on the World Input-Output Tables (WIODs). The Leontief model enabled quantification of the total and backward (upstream) linkages, whereas the Ghosh model was used to measure forward (downstream) linkages of air transport. Moreover, upstream and downstream domestic industries, that would be hit the most by the extraction of air transport from the Czech economy, were identified using the corresponding models. The results of the research allow to estimate how the rest of the economy would be affected by the Czech air transport's shutdown (for example due to travel restrictions connected to the Covid-19 pandemic) and help to identify industries hit the most by such industry closure.