On the Comparative Advantage of U.S. Manufacturing: Evidence from the Shale Gas Revolution

Rabah Arezki, Thiemo Fetzer, Frank Pisch

PII: S0022-1996(17)30028-4
Reference: INEC 3030

To appear in: Journal of International Economics

Received date: 9 July 2015
Revised date: 22 February 2017
Accepted date: 5 March 2017


This is a PDF file of an unedited manuscript that has been accepted for publication. As a service to our customers we are providing this early version of the manuscript. The manuscript will undergo copyediting, typesetting, and review of the resulting proof before it is published in its final form. Please note that during the production process errors may be discovered which could affect the content, and all legal disclaimers that apply to the journal pertain.
On the Comparative Advantage of U.S. Manufacturing: Evidence from the Shale Gas Revolution

Rabah Arezki, Thiemo Fetzer, and Frank Pisch *

February 2017

Abstract

This paper provides novel empirical evidence of the effects of a plausibly exogenous change in relative factor prices on United States manufacturing production and trade. The shale gas revolution has led to (very) large and persistent differences in the price of natural gas between the United States and the rest of the world reflecting differences in endowment of difficult-to-trade natural gas. Guided by economic theory, empirical tests on output, factor reallocation and international trade are conducted. Results show that U.S. manufacturing exports have grown by about 10 percent on account of their energy intensity since the onset of the shale revolution. We also document that the U.S. shale revolution is operating both at the intensive and extensive margins.

Keywords: manufacturing, exports, energy prices, shale gas

JEL Codes: Q33, O13, N52, R11, L71

*Arezki is based at the Research Department of the International Monetary Fund, Washington DC, USA; Fetzer is based at University of Warwick, United Kingdom; Pisch is based at London School of Economics, United Kingdom. We thank Tim Besley, Olivier Blanchard, Prakash Loungani, Guy Michaels, Akito Matsumoto, Gian Maria Milesi-Ferretti, Caroline Freund, Maury Obstfeld, Gianmarco Ottaviano, Rick van der Ploeg, Daniel Sturm, Tony Venables, Wei Xiong and numerous IMF colleagues for detailed comments and discussions. Fetzer acknowledges support from the Kondrad-Adenauer Foundation, STICERD and CAGE. Pisch acknowledges support from the German Academic Scholarship Foundation and CEP.
دریافت فوری
متن کامل مقاله

امکان دانلود نسخه تمام متن مقالات انگلیسی
امکان دانلود نسخه ترجمه شده مقالات
پذیرش سفارش ترجمه تخصصی
امکان جستجو در آرشیو جامعی از صدها موضوع و هزاران مقاله
امکان دانلود رایگان ۲ صفحه اول هر مقاله
امکان پرداخت اینترنتی با کلیه کارت های عضو شتاب
دانلود فوری مقاله پس از پرداخت آنلاین
پشتیبانی کامل خرید با بهره مندی از سیستم هوشمند رهگیری سفارشات