

OSTROM WORKSHOP COLLOQUIUM SERIES

Karen Clay

*Economics and Public Policy
Carnegie Mellon University*

“The Short-Run and Long-Run Effects of Resources on Economic Outcomes: Evidence from the United States 1936–2015”

Monday, April 9, 2018

12:00 – 1:00 p.m.

Ostrom Workshop, 513 N. Park



This paper draws on new state-level panel datasets spanning 1936–2015 covering the three most valuable natural resources during the period—oil & gas, coal, and agricultural land—and a model of domestic Dutch disease to examine the short-run and long-run effects of resources on state economies. Using a flexible shift-share estimation approach, we find that different resources have different short-run effects in different time periods, across increases and decreases in resource employment, and across different outcomes. Using long differences, we find that resource endowments either have a very small positive effect or have no effect on long-run growth in per capita income. Long-run population growth has been an important margin of adjustment—states with larger coal and agricultural endowments per square mile experienced significantly slower population growth than states with smaller endowments per square mile.



Karen Clay is a professor of economics and public policy at Carnegie Mellon’s Heinz College and a research associate at the NBER. Professor Clay’s research has been supported by the National Science Foundation, the Department of Energy, and the Sloan Foundation. Her work has been published in the *Journal of Political Economy*, *Review of Economics and Statistics*, and *American Economic Review, Papers and Proceedings*. Her research focuses on historical and contemporary energy and environmental issues ([website](#)).

Presentations are open to the public and are live streamed (see our website for URL and papers). You are welcome to bring your lunch. For questions, contact Allison Sturgeon (sturgeon@iu.edu; 812/855–3151).