Impact of the China Trade Shock on U.S. Regional Inequality: A Replication Study

Marlon Morales, Mauricio Vargas, Nikolas Papadatos, Anshruta Thakur Fall 2024



Overview

Abstract

Introduction

Data and Methodology

Data Sources and Transformations 2SLS Estimation Strategy

Main Results

Comparison with the Original Study Implications of the Results Study Limitations Conclusions

Discussion and Conclusions

Abstract

 Impact of the China Shock on Regional Inequality: Replication of Autor, Dorn, and Hanson (2013)

3

Introduction

- How did the "China shock" affect inequality across regions in the United States?
- Brief explanation of the "China shock" and its importance in international trade and U.S. labor markets.

Data Sources

• General description of the data and its sources.

Variable Construction

- Description of the study variables, transformations, and groupings.
- Explanation of aggregations at the CZ (commuting zone) level.

Visualization of Key Variables

• Visual representation of data by groups.

7

2SLS Estimation Strategy

Table 3 Results

- Explanation of the results in Table 3.
- Observed effects of the "China shock" on labor markets.

Panel A Results

- Interpretation of the results in Panel A.
- Comparison with Table 3.

Table 6 Results

 Presentation of the effects of the "China shock" on regional inequality.

Comparison with the Original Study

 Differences and similarities with the original results of Autor, Dorn, and Hanson.

Implications of the Results

• Discussion on the implications of the findings for regional economies and inequality.

Study Limitations

- Mention of potential limitations in the analysis and their impact on conclusions.
- Discussion of the quality of instruments and estimates.

Conclusions

 Summary of key findings and their relevance in the context of the "China shock" and economic policy.

UCLA