

Railroads and Productivity in the Textile Industry: Evidence from Mexico

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Abstract

This paper investigates how rail expansion initiated during the end of the 20th century influenced the Mexican textile industry. For this analysis, a new series of digitized rail maps was created using numerous archival resources and merged with historical textile production data from Razo and Haber (1998). I investigate whether rail expansion preceded or connected the most productive textile mills, if and to what degree mills connected to rail were more productive than those that were not, and if early connectivity provided any sustained initial advantages, especially among mills in agriculturally rich regions amenable to cotton production. Lastly, I explore patterns of modern specialization and urbanization in regions with historically productive mills and early rail access. Results shed light on whether changes in production and market access through rail expansion correlate with structural transformation.

Keywords: Mexico, Textiles, Railroads

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