

Dear Colleagues,

The abstract for the project that I have been working on ([Climate Change and Economic Activity: Evidence from U.S. States](#)) with Ryan N. C. Ng (BP), M. Hashem Pesaran (University of Southern California and Trinity College, Cambridge), Mehdi Raissi (International Monetary Fund), and Jui-Chung Yang (National Taiwan University) is below.

Abstract:

We investigate the long-term macroeconomic effects of climate change across 48 U.S. states over the period 1963–2016 using a novel econometric strategy which links deviations of temperature and precipitation (weather) from their long-term moving-average historical norms (climate) to various state-specific economic performance indicators at the aggregate and sectoral levels. We show that climate change has a long-lasting adverse impact on real output in various states and economic sectors, and on labour productivity and employment in the United States. Moreover, in contrast to most cross-country results, our within U.S. estimates tend to be asymmetrical with respect to deviations of climate variables (including precipitation) from their historical norms.

JEL Classifications: C33, O40, O44, O51, Q51, Q54.

Key Words: Climate change, economic growth, adaptation, United States.

The paper was submitted a couple of weeks to *AER Insights* and is currently under review.

The working paper version is available from here:

<https://ideas.repec.org/p/cam/camdae/2205.html>

Best, Kamiar