

Note: This paper is included in the session organized by Youngho Chang

U.S. Shale Gas Development and Its Potential Effect on Gas Trade in Asia

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Abstract

This paper aims at exploring the potential effect that a scheduled development of shale gas in the U.S. might bring about on the gas market in Asia. An inter-regional input-output model based on Asia International Input-Output Table due to the Institute of Developing Economics (IDE) Japan will be used to quantify the effect. We will be focusing on how the trading pattern of natural gas among major Asian countries will change resulting from a rise in export of U.S. gas as well as a decrease in the demand for foreign gas by the U.S. consumers. The changing pattern of gas trade in Asia over the past several years will be used to verify the results generated by the model.