

BURCU OZCAN

Firat University, Turkey

AYSE ARI

Nigde University , Turkey

NUCLEAR ENERGY CONSUMPTION-ECONOMIC GROWTH NEXUS IN OECD: A BOOTSTRAP CAUSALITY TEST

Abstract:

This paper investigates the causal relationship between nuclear energy consumption and economic growth for 15 OECD countries. To this aim, the bootstrap causality test developed by Hacker and Hatemi-J (2006) is used over the period 1980-2012 that differs for each country. The results reveal that the neutrality hypothesis does hold for 10 out of 15 OECD countries. In other words, there is no causal relationship between nuclear energy consumption and economic growth in any direction. For these ten countries, nuclear energy may be a relatively small component of overall output and has no impact on economic growth. However, for the other five countries, there appears a significant causality between growth and nuclear energy consumption.

Keywords:

nuclear energy, economic growth, neutrality hypothesis, causality

JEL Classification: C22, O13, Q42