

January 2022

John Sturm

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EDUCATION

- 2017 - PhD Student, Economics, Massachusetts Institute of Technology
Advisors: Daron Acemoglu, Iván Werning, Arnaud Costinot
All coursework A / A+
- 2016 MPhil, Economics, University of Cambridge
Distinction
- 2015 BA, Physics and Mathematics, Harvard College
Summa cum laude, Phi Beta Kappa

AWARDS AND FELLOWSHIPS

- 2022 Global Priorities Fellowship, Forethought Foundation
- 2017 - 2019 Palm Fund Fellowship, MIT Economics Department
- 2015 - 2016 Paul Williams Fellowship (full scholarship to Cambridge University), Harvard
- 2015 Sanderson Memorial Prize (best academic record, physics graduates), Harvard

RESEARCH POSITIONS

- 2021 Research Assistant to Dave Donaldson and Arnaud Costinot, NBER
- 2020 Research Assistant to Daron Acemoglu, MIT
- 2019 Research Assistant to Arnaud Costinot and Ivan Werning, MIT
- 2018 Research Assistant to Ben Golub, Harvard
- 2016 - 2017 Research Assistant to Joseph Stiglitz, Columbia Business School
- 2016 - 2017 Research Associate, Roosevelt Institute

WORKING PAPERS

- “A Note on Designing Economic Sanctions” [Draft](#), Mar. 2022
How can a country impose the most severe economic cost on a trading partner at the least cost to itself? I show that trade taxes as sanctions target the same goods as trade taxes as terms-of-trade manipulation. This observation has several useful implications for the design of sanctions.
- “Income Taxation and Heterogeneity” (w/ A. Sztutman) [NTA Conf. draft](#), Oct. 2021
We consider the under-studied second-order condition of a standard non-linear income taxation problem, using it to formulate a welfare-neutral test for efficient redistribution. Under our novel estimates of heterogeneity in taxable income elasticities, the condition fails, implying there is a "free lunch" through tax reform.
- “Fiscal Policy in a Networked Economy” (w/ J. Flynn, C. Patterson) [NBER WP draft](#), Dec. 2021
How does the rich web of economic relationships affect the impact of fiscal policy and its optimal targeting? While the fine structure of supply chain, regional, employment, and

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consumption linkages determine the distributional effects of fiscal policy, they play no role in its aggregate effects. MPC-targeting is therefore maximally expansionary.

“Non-substitution: A Modern Treatment”

Draft available upon request, Jan. 2022

When do factor prices determine goods prices and/or input-output structure? This short note provides a modern treatment of the non-substitution theorem first introduced by Samuelson (1949), offering minimal conditions for the existence and uniqueness of demand-independent prices and factor demand structure. All results extend naturally to the case of imperfect competition with constant markups.

RESEARCH IN PROGRESS

“Correcting Externalities in Dynamic Economies”

Pigouvian taxation breaks down in the presence of multiple equilibria. Can a social planner still implement an efficient allocation using only information available along the equilibrium path? We show that, in a broad class of dynamic general equilibrium models, the planner need only commit to use local Pigouvian policy along an equilibrium path.

“Changing Taxes for Changing Times” (w/ A. Sztutman)

How should income taxes respond to changes in technology or redistributive preferences? We leverage results from our prior work to provide analytically-tractable comparative statics. If automation “hollows out” the income distribution, then marginal taxes should decrease at low incomes and increase at high incomes.

“Quality vs. Quantity: Inequality and Directed Product Growth”

I develop a tractable model of endogenous growth with non-homothetic preferences in which firms may invest in either new products (higher quality) or cost-cutting (higher quantity). Higher income inequality redirects innovation toward quality and away from quantity, but may also facilitate redistribution through changes in stock market value.

POLICY WRITING

“The Simple Economics of Trade Sanctions on Russia: A Policymaker's Guide” [Draft](#), Apr. 2022

What economic tradeoffs should inform the design of trade sanctions? This paper—intended as a guide for policymakers with some background in economics—uses supply and demand diagrams to illustrate seven simple lessons. [Press: [VoxEU](#)]

“The Simple Economics of Optimal Sanctions: The Case of EU-Russian Oil and Gas Trade”

(with Kai Menzel) [Draft](#), Apr. 2022

We study trade sanctions in a simple framework that accounts for an EU-Russian import tariff's effects on both country's terms of trade with the rest of the world. In this context, we provide a test for when tariffs on Russian energy imports can simultaneously damage the Russian economy and increase EU welfare.

TEACHING EXPERIENCE

2019-2021 Sole Instructor, Math Camp for Economics PhD students, MIT
3-hour lectures with blackboard proofs to incoming PhDs

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2020, 2022 *Course Evaluations: 6.5 / 7 (2019), 6.6 / 7 (2020, on Zoom), 6.5 / 7 (2021)*
Teaching Assistant, graduate-level International Trade, MIT
Course Evaluation: 6.6 / 7

PRESENTATIONS

2022 “Smart Sanctions” online conference
Coauthor presented joint work:
*American Economic Association Annual Meeting (Society of Economic
Dynamics session)*

2021 European Winter Meeting of the Econometric Society
Coauthors presented joint work:
*NBER Summer Institute Impulse and Propagation Mechanisms Meeting,
National Tax Association Annual Meeting, Econometric Society European
Winter Meeting, Junior Virtual Macro Conference
Invited seminars: Harvard, Oxford, Brookings Institute, Central Bank of
Chile, University of Southern California, Stony Brook, Georgetown*

PROFESSIONAL SERVICE

2020 - Volunteer mentor, Application Assistance and Mentoring Program, MIT
*Advise economics students from under-represented backgrounds as they
apply to graduate school and research assistantships*