MIT Economics

KAZUATSU SHIMIZU

OFFICE CONTACT INFORMATION
MIT Department of Economics
77 Massachusetts Avenue, E52-301
Cambridge, MA 02139
kazuatsu@mit.edu
https://kazuatsu.github.io/

HOME CONTACT INFORMATION
50 Memorial Drive
Cambridge, MA 02142
Mobile: (215) 410-6959

MIT PLACEMENT OFFICER
Professor Stephen Morris
semorris@mit.edu
617-253-5193

MIT PLACEMENT ADMINISTRATOR
Mrs. Shannon Robinson
shmay@mit.edu
617-324-5857

DOCTORAL STUDIES

Massachusetts Institute of Technology (MIT)
PhD, Economics, Expected completion June 2027
DISSERTATION: "Essays in International Economics"

DISSERTATION COMMITTEE AND REFERENCES

Professor Arnaud Costinot
MIT Department of Economics
77 Massachusetts Avenue, E52-534
Cambridge, MA 02139
617-324-1712
costinot@mit.edu

Professor Ivan Werning
MIT Department of Economics
77 Massachusetts Avenue, E52-536
Cambridge, MA 02139
617-452-3662
iwerning@mit.edu

Professor David Atkin
MIT Department of Economics
77 Massachusetts Avenue, E52-540
Cambridge, MA 02139
203-936-9367
atkin@mit.edu

Professor Christian Wolf
MIT Department of Economics
77 Massachusetts Avenue, E52-520
Cambridge, MA 02139
617-253-3399
ckwolf@mit.edu

PRIOR EDUCATION

Swarthmore College 2019
BA- Economics, Highest Honors; Phi Beta Kappa

CITIZENSHIP

Japan

LANGUAGES

English, Japanese (native), Italian (intermediate)

FIELDS

Primary Fields: International Trade, International Macroeconomics
Secondary Field: Macroeconomics

SOFTWARE

MATLAB, Python (JAX), Stata

TEACHING EXPERIENCE

14.581 International Economics I (graduate) 2024, 25
Teaching assistant to Professor Arnaud Costinot and Professor David Atkin

	14.54 International Trade (undergraduate) Teaching Assistant to Professor Arnaud Costinot	2023, 24, 25
	14.05 Intermediate Macroeconomics (undergraduate) Teaching Assistant to Professor Chris Cotton	2023

RELEVANT POSITIONS

Globalization PhD Fellow (visiting), Dartmouth College	2026
Research Assistant, MIT Department of Economics- Arnaud Costinot	2025
Research Assistant, MIT Department of Economics- Ivan Werning	2022
Academic Assistant, University of Tokyo- Kenichi Ueda (with Chang-Tai Hsieh)	2020-21
Research Professional, Becker Friedman Institute, University of Chicago- Erik Hurst and Chang-Tai Hsieh	2019-21
Research Assistant, University of Chicago Booth School of Business- Chang-Tai Hsieh	2018
Research Assistant, Swarthmore College- Stephen Golub	2017

FELLOWSHIPS, HONORS, AND AWARDS

Best Teaching Assistant Award, MIT Department of Economics, 2024-2025
JASSO Graduate Scholarship, 2021-24

PROFESSIONAL ACTIVITIES

Participant, Princeton Initiative: Macro, Money, and Finance, 2023
Participant, Stanford Big-Data Initiative in International Macro-Finance Conference, 2023
Referee: Econometrica; American Economic Review

PUBLICATIONS

"Task-Based Discrimination" (with Erik Hurst and Yona Rubinstein)
American Economic Review, 114(6): 1723–1768, 2024.

We develop a task-based model of occupational sorting to identify and quantify the effects of discrimination, racial skill gaps, and aggregate task prices on Black-White differences in labor market outcomes over time. At the heart of our framework is the idea that the size and nature of racial barriers faced by Black workers vary by the task requirements of each job. We introduce a task measure capturing interactions with coworkers and customers and show, through model estimation and supporting microdata, that the racial gap in this measure is a good proxy for direct labor market discrimination. Our estimated model attributes substantial convergence in jobs involving interpersonal contact to declining discrimination, while persistent racial barriers limit convergence in jobs requiring analytical tasks. These task-specific barriers also imply that race-neutral changes in task prices can widen racial wage gaps. Quantitatively, rising returns to analytical tasks widened the Black-White wage gap by approximately seven log points between 1980 and 2018. This force offset gains from reduced discrimination and narrower racial skill gaps, leaving the overall wage gap largely unchanged.

RESEARCH PAPERS

"The Keynesian Case for Trade Protection: A Modern Treatment" (Job Market Paper) (with Keelan Beirne)

We revisit the Keynesian rationale for tariffs: when downward nominal wage rigidity creates inefficient employment losses, tariffs can serve as second-best instruments by expanding labor demand in affected sectors. To do so, we characterize optimal tariffs in a dynamic multisector economy with wage rigidities and a flexible exchange rate. Our contribution is twofold. First, we show analytically that tariffs can be counterproductive instruments: a broad tariff intervention reduces labor demand in the very sectors it is meant to protect, as currency appreciation depresses foreign import demand and discourages current spending. As a result, optimal policy calls for import subsidies across sectors when wage rigidity causes employment shortfalls across a sufficiently broad segment of the economy. Second, we undertake a quantitative evaluation and find that optimal interventions and the associated welfare gains remain modest in our U.S. application even when labor distortions are sizable. Optimal tariffs turn out to be small because of their limited effectiveness in shifting employment across sectors relative to the distortions they create.

"Romer or Ricardo?" (with Chang-Tai Hsieh and Peter Klenow)
Working paper, 2022; revision in progress.

How do new varieties and quality improvements shape trade, growth, and the gains from foreign innovation? We develop a multicountry model combining new variety creation and international technology diffusion. On the theoretical front, we show that foreign growth through new variety creation raises home welfare by creating new sources of comparative advantage, while foreign growth through creative destruction can lower home welfare by eroding home's comparative advantage and worsening its terms of trade. On the empirical front, we use product-level export and import dynamics to infer countries' innovation patterns. The estimates suggest that the United States specializes in creating new varieties, while China relies more heavily on improving products developed abroad.

RESEARCH IN PROGRESS

"Trade Protection and Global Value Chains: The Good, the Bad, and the Optimal" (with Arnaud Costinot)

We study trade policy in a general neoclassical environment with Global Value Chains (GVCs). Our starting point is that GVCs expand governments' ability to tax foreigners. This simple observation has three implications. First, tariffs can mechanically improve a country's terms of trade. Holding factor prices fixed, the associated change in a country's terms of trade is, to a first-order approximation, the tariff content of its exports. Second, the same economic force implies that tariffs can backfire when factor prices endogenously adjust, a GVC-induced Lerner paradox. Third, under a weak and realistic assumption, namely that countries cannot manipulate relative factor prices abroad, it is

optimal to leave trade undistorted within GVCs, an application of Diamond and Mirrlees's (1971) Production Efficiency Theorem.

"The Costs of Trade Wars: Theory and Evidence from the Great Depression" (with Keelan Beirne)

Did the trade war deepen the Great Depression? We argue that the gold standard amplified the adverse effects of tariffs on trading partners by tightening their monetary conditions. Using a shift-share design based on product-level tariff data, we show that countries exposed to higher foreign tariffs experienced lower output and higher unemployment, yet faced higher short-term interest rates and accompanying gold outflows. To explain these responses, we develop a Keynesian model of trade under the gold standard with downward nominal wage rigidity. In the model, unilateral tariffs ease domestic monetary conditions and stimulate employment at trading partners' expense, while a global trade war depresses aggregate demand. Quantitative results from a model calibrated to 17 interwar economies suggest substantial employment gains in some countries and losses in others.

POLICY REPORTS

"Export Diversification and Inclusive Growth in Land-Locked Countries in Asia: Bhutan, Kazakhstan, Mongolia and Turkmenistan" (with Stephen Golub and Anastasia Vasilyeva). Report prepared for UNCTAD, 2017.