AKIHISA KATO

https://sites.google.com/view/akihisakato-econ/home

akato@sas.upenn.edu

UNIVERSITY OF PENNSYLVANIA

Placement Director: Iourii Manovskii	MANOVSKI@ECON.UPENN.EDU	215-898-6880
Placement Director: Holger Sieg	HOLGERS@ECON.UPENN.EDU	215-898-7194
Graduate Student Coordinator: Gina Conway	GNC@SAS.UPENN.EDU	215-898-5691

Office Contact Information

The Ronald O. Perelman Center for
Political Science and Economics, Room 648
133 South 36th Street
Philadelphia, Pennsylvania 19104
Phone: +1-215-960-4708

Personal Information:

Date of Birth: May 9th, 1988
Citizenship: Japan (J-1 Visa)

Undergraduate Studies:

B.A., Economics, University of Tokyo, 2013

Masters Level Work:

M.A., Economics, University of Tokyo, 2015

Graduate Studies:

University of Pennsylvania, 2016 to present
Thesis Title: "Essays on Macroeconomics"
Expected Completion Date: May 2022

Thesis Committee and References:

Professor José Víctor Ríos-Rull (Advisor)
Department of Economics
University of Pennsylvania
133 South 36th Street, Office 516
Philadelphia, PA 19104
Email: vr0j@econ.upenn.edu
Phone: +1-215-898-7701

Professor Dirk Krueger
Department of Economics
University of Pennsylvania
133 South 36th Street, Office 520
Philadelphia, PA 19104
Email: dkrueger@upenn.edu
Phone: +1-215-573-1424

Professor Andrew Shephard
Department of Economics
University of Pennsylvania
133 South 36th Street, Office 601
Philadelphia, PA 19104
Email: asheph@sas.upenn.edu
Phone: +1-215-898-7408

Research Fields:
    Primary fields: Macroeconomics
    Secondary fields: Family Economics, Fiscal Policy

Teaching Experience:
University of Pennsylvania:
  Spring, 2021   Intermediate Macroeconomics, TA for Professor Guillermo Ordonez
  Fall, 2020   Advanced Microeconomics, TA for Professor Steven Matthews
  Spring, 2020   Game Theory, TA for Professor Steven Matthews
  Fall, 2019   Advanced Microeconomics, TA for Professor Steven Matthews
  Spring, 2019   Macro-Modeling, TA for Professor José Víctor Ríos-Rull
  Fall, 2018   Advanced Microeconomics, TA for Professor Steven Matthews
  Spring, 2018   Intermediate Microeconomics, TA for Professor Kenneth Burdett
  Fall, 2017   Advanced Microeconomics, TA for Professor Steven Matthews

University of Tokyo:
  Fall, 2015   International Financial Policy, TA for Professor Kenichi Ueda

Research Experience and Other Employment:
University of Tokyo:
  2013-2016   Research Assistant for Professor Kosuke Aoki

Honors, Scholarships, and Fellowships:
  2017-2021   University Fellowship, UPenn
  2018-2019   Mitsubishi Fellowship, Japan-US Education Exchange Promotion Foundation
  2016-2017   Fulbright Grant, Fulbright Japan
  2016   JSPS Research Fellowship for Young Scientists (DC2)
  2016   Grant-in-Aid for JSPS Fellows

Publications:
"The Effects of Tax Changes at the Zero Lower Bound: Evidence from Japan", with Wataru Miyamoto, Thuy Lan Nguyen and Dmitriy Sergeyev, *AEA Papers & Proceedings*, Vol. 108, May 2018, Pages 513-18.

Research Papers:
"*Optimal Progressive Income Taxation and Endogenous Marriage and Divorce*" (Job Market Paper)
The U.S. income tax system penalizes married couples with similar earnings and subsidizes specialization between spouses in such couples. To see how the progressive income tax impacts household formation and intra-household allocations, we construct a model to study how changes in tax policy affect labor supply — especially those of secondary earners in married households — and household formation/dissolution. The model is a life-cycle model where agents differ in realized wage and fertility and face the U.S. income tax code, and agents make household formation and allocation decisions. Married households make such decisions jointly without being able to commit future arrangements. With this model, we find the sensitivity of the marriage patterns to the tax code: changing tax unit from a household to an individual increases the number of married households by 3%, mainly via a reduction of the marriage age coming from reduced rewards to search for advantageous tax partners. We also consider the same policy reform but abstracting the responses of marriage/divorce decisions and intra-household sharing rules to show how those are quantitatively important. We then use the model to compute the optimal income tax progressivity that maximizes welfare under two scenarios; (i) married couples filing jointly and (ii) individual taxation. In Scenario (i), the optimal progressivity for married couples is lower. At the same time, that of singles is slightly higher than the current U.S. tax code. In comparison, the optimal progressivity in Scenario (ii) is much higher than the current U.S. single income tax schedule. We also compute the optimal progressivity without endogenous household

formation/dissolution and within household allocation decisions and find that abstracting those model aspects leads to different policy implications.

Research Papers in Progress:
"*Recursive Markovian Contracts*" (with José Víctor Ríos-Rull)
We propose a new approach to modeling contracts without commitment. My job market paper uses this method for modeling married households without commitment. The traditional approaches to solving models without commitment require keeping track of non-payoff-relevant state variables, decision weights. Once those variables are included in a set of state variables, the equilibrium is not Markov perfect and computationally costly. Moreover, the approach is a particular selection method for updating decision weights. When the old decision weights cannot maintain the current match, the update happens to make the binding constraint holds equality. Setting the decision weight based on such a rule means that all the surplus goes to the participants whose constraints are not binding. We reconcile this issue by introducing a repeated game in a match to determine the allocation or dissolution every period. The participants either stay silent or challenge the other to achieve better allocations by demanding a larger decision weight. Challenging is costly because it incurs a utility cost and may trigger dissolution from the increased risk of other parties rejecting the offer. Our approach still maintains the feature of the traditional approach; (i) the one with a more attractive outside option tends to have a larger decision weight, (ii) a better outside option may trigger dissolution of the match.

"*Goldrush*" (with José Víctor Ríos-Rull)

Languages:
   English (fluent), Japanese (native)

Computational Skills:
   Julia, R, Stata, MATLAB