

## KAIRONG CHEN

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Placement Coordinator: Elizabeth Bolyard

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### EDUCATION:

**Indiana University**, 2016 to present

Ph.D. Candidate in Economics.

Thesis Title: "Essays on International Trade"

Expected Completion Date: May 2022

### References:

Professor Mostafa Beshkar (co-chair)

Department of Economics

Indiana University

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Professor Volodymyr Lugovskyy (co-chair)

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Professor Todd B. Walker

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Professor Ke-Li Xu

Department of Economics

Indiana University

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**Yeshiva University**, Department of Economics, *New York, NY*

2015

MS in Quantitative Economics

**Peking University**, National School of Development, *Beijing, China*

2014

BA in Economics

**China Agricultural University**, College of Biological Sciences, *Beijing, China*

2014

BS in Biological Science

### RESEARCH INTERESTS:

International Trade, Trade Policy Uncertainty, International Finance, Applied Econometrics, Textual Analysis

### WORKING PAPERS:

*"Trade Policy Uncertainty: Measurement and Impacts on US Firms in Global Value Chains"*

*(Job Market Paper)*

*Abstract:* This paper studies the effects of trade policy uncertainty (TPU) on the US firms' global value chain links. Based on the earnings conference call transcripts, I adapt a text-based method to construct and validate new measures of trade policy shocks faced by individual US firms. Estimation results with the trade policy measures show that high TPU deters capital investment and induces temporary stockpiling. I then evaluate the impact on the firms' reliance on foreign relationships. Using the firm-level data on global supply chain relationships in 2010-2019, I find that TPU is negatively associated with the US firms' foreign customer ratios. The effects are more pronounced on downstream producers than upstream producers. By contrast, there is no association between TPU and foreign supplier ratios, probably due to the firms' additional offshoring behavior in the trade war.

*“Dynamic Effects of Trade Policy and Capital Controls: A Terms-of-Trade Manipulation Perspective”*

**Abstract:** This paper studies the interaction between trade policy and capital control policy from a terms-of-trade manipulation perspective. I extend the dynamic two-country multi-good endowment economy in Costinot, Lorenzoni, and Werning (2014) with trade taxes/subsidies. Home country chooses optimal taxes on all tradable goods and international capital flows in order to maximize domestic welfare, while the foreign country is passive. When only good-specific trade taxes/subsidies are available, Home has an incentive to manipulate tariffs to depreciate its real exchange rate, if it has a faster-growing endowment than the Foreign. Moreover, I find that taxing capital inflow/subsidizing capital outflow is equivalent to a uniform reduction in gross trade tariffs on all goods. There is no need for capital controls if the government can get access to good-specific tariffs/subsidies.

**WORK IN PROGRESS:**

*“Trade Finance and Transportation Modes”* (with Adina Ardelean and Volodymyr Lugovskyy)

**RESEARCH & TEACHING EXPERIENCE** (all at Indiana University):

<b>Research Assistant</b> , for Professor Todd Walker	Winter 2020, Summer 2021
<b>Research Assistant</b> , for Professor Volodymyr Lugovskyy	Summer 2019

*Graduate Courses*

<b>Instructor</b> , Introduction to Python for Economists [ <a href="#">GitHub</a> ]	Summer 2021
<b>Teaching Assistant</b> , Macroeconomic Theory I for Professor Todd B. Walker	Fall 2018

*Undergraduate Courses*

**Associate Instructor** (full teaching responsibility)

Fundamentals of Economics for Business I	Spring 2021
Introduction to Microeconomics	Fall 2019

**Teaching Assistant**

Everyday Economics	Fall 2021	Fund. of Econ. for Busi. I	Fall 2020
Intermediate Macro	Summer 2020	Financial Economics	Spring 2020
Intro to Macro	Su. 2018, Su. 2019	Intermediate Micro	Summer 2019
Intro to Micro	Spring 2019	Money and Banking	Sp., Su. 2018
Industrial Organization	Spring 2018	Stat. Analysis for Busi. & Econ.	Fall 2017

**HONORS AND AWARDS:**

College of Arts and Sciences Travel Award	2021
Department of Economics Graduate Assistantship, <i>Indiana University</i>	2017-2021
Best Third-Year Paper Award, <i>Department of Economics, Indiana University</i>	2019
College of Arts and Sciences Graduate Fellowship, <i>Indiana University</i>	2016-2017

**PROFESSIONAL ACTIVITIES:**

**Presentations**

2021: Midwest Trade (21Fall, MSU).  
2019: Jordan River Conference (IU).

**Referee Service**

Quarterly Review of Economics and Finance, Review of International Economics, Economics & Politics

**MISCELLANEOUS:**

**Programming:** Python, MATLAB, STATA, SQL, R, Fortran, C++, LaTeX

Coursera Certificates - Machine Learning, Neural Network and Deep Learning	July, August 2019
QuantNet Certificate - C++ Programming for Financial Engineering	September 2015

**Languages:** Chinese (native), English (fluent)