

# MIT Economics SHINNOSUKE (SHIN) KIKUCHI

## OFFICE CONTACT INFORMATION

MIT Department of Economics  
77 Massachusetts Avenue, E52-470  
Cambridge, MA 02139  
[skikuchi@mit.edu](mailto:skikuchi@mit.edu)  
<https://economics.mit.edu/people/phd-students/shinnosuke-kikuchi>

## MIT PLACEMENT OFFICER

Professor David Autor  
[dautor@mit.edu](mailto:dautor@mit.edu)  
617-253-4669

## HOME CONTACT INFORMATION

45 Hayward St. Apt 2332  
Cambridge, MA 02142  
Mobile: 617-251-2932

## MIT PLACEMENT ADMINISTRATOR

Ms. Shannon May  
[shmay@mit.edu](mailto:shmay@mit.edu)  
617-324-5857

**DOCTORAL STUDIES** Massachusetts Institute of Technology (MIT)  
PhD, Economics, Expected completion May 2025  
DISSERTATION: "Essays in Trade and Macroeconomics"

## DISSERTATION COMMITTEE AND REFERENCES

Professor Daron Acemoglu  
MIT Department of Economics  
77 Massachusetts Avenue, E52-446  
Cambridge, MA 02139  
617-253-1927  
[daron@mit.edu](mailto:daron@mit.edu)

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

Professor David Atkin  
MIT Department of Economics  
77 Massachusetts Avenue, E52-550  
Cambridge, MA 02139  
203-936-9367  
[atkin@mit.edu](mailto:atkin@mit.edu)

<b>PRIOR EDUCATION</b>	University of Tokyo	2019
	MA in Economics	
	University of Tokyo	2016
	BA in Economics	
	<i>summa cum laude</i> and Valedictorian	

<b>CITIZENSHIP</b>	Japan	<b>GENDER:</b>	Male
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<b>LANGUAGES</b>	Japanese (native)
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<b>FIELDS</b>	Primary Fields: Trade, Macro
	Secondary Fields: Labor, Political Economy

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<b>TEACHING EXPERIENCE</b>	14.05 Intermediate Macroeconomics (Undergrad)	2021, 2022, 2024
	TA to Professor Christian Wolf	
	14.452 Economic Growth (PhD)	2021, 2022
	TA to Professor Daron Acemoglu, Chris Edmond	
	14.453 Economic Fluctuations (PhD)	2021, 2022
	TA to Professor Iván Werning	
<b>RELEVANT POSITIONS</b>	Visiting Associate Researcher, Keio University	2022-2024
	Research Assistant to Professor Daron Acemoglu	2019-2022
	Research Assistant to Professor David Autor	2019-2021
	Research Assistant to Professor Joshua Angrist	2019
	Seasonal Analyst, Macroeconomics, Goldman Sachs	2018-2019
	Business Analyst (full-time), McKinsey & Company	2017-2018
<b>GRANTS</b>	Advance Cutting-Edge Humanities and Social Sciences Research, Japan Society for the Promotion of Science, “ <i>A Comprehensive Study on Disinformation and Political Polarization with a Focus on East Asian Countries</i> ” (JPJS00123811919)	2023-2029
	Joint project. PI: Yuko Kasuya (Keio University)	
	JPY 114,673,000 (\$ 770,000)	
	Project Research Program of Joint Usage and Research Center, Hitotsubashi IER	2023
	“ <i>Business network and agglomeration of workers with cognitive tasks in the urban metropolitan area</i> ” (IERPK2306)	
	Joint with Shota Komatsu, Juan Nelson Martínez Dahbura, Kentaro Nakajima, Takanori Nishida, Kensuke Teshima, and Junichi Yamasaki	
	JPY 600,000 (\$ 4,000)	
	George and Obie Shultz Fund, MIT Economics	2022
	“ <i>Technological Change and Upskilling</i> ”	
	Joint with Todd Lensman	
	\$ 10,000	
	George and Obie Shultz Fund, MIT Economics	2021
	“ <i>Government Size and Spatial Growth</i> ”	
	Joint with Jie Zhou	
	\$ 12,000	
	Grant-in-Aid for JSPS Fellows, Japan Society for the Promotion of Science	2019

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*“Impacts of Disruptive Technology on Labor Markets and Optimal Policy Responses”* (19J20069)  
JPY 3,100,000 (\$ 20,800)

<b>FELLOWSHIPS AND HONORS</b>	Gordon B. Pye Dissertation Fellow, MIT Economics	2023-2024
	Best Teaching Assistant of the Year, MIT Economics	2022-2023
	The Nakajima Foundation Scholarship	2019-2024
	Research Fellow, Japan Society for the Promotion of Science	2019
	Valedictorian, University of Tokyo	2016
	<i>summa cum laude</i> , University of Tokyo, Economics	2016

<b>PRESENTATION AND SEMINARS</b>	2024: Kyoto University, Musashi University, Hitotsubashi-Keio-UTokyo conference on Frontiers in Macro, Hitotsubashi University, Keio University, Kobe University, Aoyama-Gakuin University, Waseda University, Ryukoku University, NBER Japan Project Meeting, Summer Workshop on Economic Theory	
	2023: Columbia University Japan Economic Seminar, Osaka University, Hitotsubashi University, University of Tokyo, JSQPS Winter Meeting, Kyoto Applied Micro Conference, NBER Japan Project Meeting, Summer Workshop on Economic Theory	
	2022: Keio University, Econometric Society Asian Meeting, Japan Applied Econometrics Conference, Japan Macroeconomics Conference, Canon Global Institute End of Year Macroeconomics Conference	
	2020: Waseda University	
	2019: Econometric Society Asian Meeting	

<b>PROFESSIONAL ACTIVITIES</b>	Co-President, MIT Graduate Economic Association	2021-2022
	Student Organizer, MIT Macro Lunch	2020-2023
	Founder, Econ PhD Application Assistance and Mentoring Program for Female Students in Japan	2019-Present

<b>RESEARCH PAPERS</b>	<b>“The Evolution of Comparative Advantage: Why Skill Abundance No Longer Matters” (Job Market Paper)</b>	
	This paper shows that a country's relative skill abundance no longer implies a comparative advantage in skill-intensive sectors. Where once this empirical relationship was strong, it weakened in the 1990s and disappeared by the 2000s. The decline is most evident in countries and sectors with higher automation, with no significant variation due to offshoring. Using a multi-sector quantitative trade model incorporating both automation and offshoring, I	

show that automation, not offshoring, is the most plausible driver, and that skill abundance would have remained important after 2000 without automation. Automation increases skill premia in high-automation, developed countries and increases welfare globally, while offshoring has smaller, more evenly distributed welfare gains.

## **“The Granular Origins of Agglomeration”** (with Daniel G O’Connor)

A few large firms dominate many local labor markets. How does that granularity affect the geography of economic activity? And what does it mean for the efficiency of firm entry? To answer these questions, we propose a new economic geography model featuring granular firms subject to idiosyncratic shocks. We show that average wages increase in the size of the local labor market due to that granularity and provide a sufficient statistic for the contribution of our mechanism. We further prove that too few firms enter in equilibrium. Using Japanese administrative data on manufacturing, we provide evidence consistent with our mechanism and quantify it. Our mechanism implies that markets with around 2 firms per sector have an elasticity of wages to population of 0.05 and firms capture only 85% of their contribution to production in profits. In large markets like Tokyo, the elasticity is around 0.001, and firm entry is approximately efficient. Enacting optimal place-based industrial policy would increase the number of firms in modest-sized cities by more than 30% and actually decrease the number of firms and people in Tokyo.

## **“Decomposing the Rise of the Populist Radical Right”** (with Oren Danieli, Noam Gidron, and Ro’ee Levy)

*Reject & Resubmit at Journal of Political Economy*

Support for populist radical right parties in Europe has dramatically increased in recent years. We decompose the rise of these parties from 2005 to 2020 into four components: shifts in party positions, changes in voter attributes (opinions and demographics), changes in voter priorities, and a residual. We merge two wide datasets on party positions and voter attributes and estimate voter priorities using a probabilistic voting model. We find that shifts in party positions and changes in voter attributes do not play a major role in the recent success of populist radical right parties. Instead, the primary driver behind their electoral success lies in voters’ changing priorities. Particularly, voters are less likely to decide which party to support based on parties’ economic positions. Rather, voters—mainly older, non-unionized, low-educated men—increasingly prioritize nativist cultural positions. This allows populist radical right parties to tap into a preexisting reservoir of culturally conservative voters. Using the same datasets, we provide a set of reduced-form evidence supporting our results. First, while parties’ positions have changed, these changes are not consistent with the main supply-side hypothesis for populist support. Second, on aggregate, voters have not adopted populist right-wing opinions. Third, voters are more likely to self-identify ideologically based on their cultural rather than their economic opinions.

## **“Welfare Effects of Polarization: Occupational Mobility over the Life-cycle” (with Sagiri Kitao)**

What are the welfare effects of polarization: wage and employment losses of middle-class workers relative to low- and high-skill groups? We build a model of overlapping generations who choose consumption, savings, labor supply, and occupations over their life cycles, and accumulate human capital. We simulate a wage shift observed since the early 1980s and investigate individuals’ responses. Polarization improves welfare of young individuals that are high-skilled, while it hurts low-skilled individuals across all ages and especially younger ones. The gain of the high-skilled is larger for generations entering in later periods, who can fully exploit the rising skill premium.

## **RESEARCH IN PROGRESS**

## **“Geography of Business Interactions: Evidence from Business Card Exchange Data” (with Shota Komatsu, Juan Nelson Martínez Dahbura, Kentaro Nakajima, Takanori Nishida, Kensuke Teshima, and Junichi Yamasaki)**

In-person business meetings are a critical driver of agglomeration benefits, yet the scarcity of data has hindered exploration into their nature. This study leverages a novel dataset obtained from a business card exchange application, used by 0.4 million workers in Tokyo, to examine the impact of geographical distance on business card exchanges and other types of business networks. By analyzing the moving of firms, we find a distinct pattern in how the frequency of business card exchanges decreases with distance, particularly noting a significant drop beyond a 500-meter radius. Additionally, we observe that the rate of decline in these exchanges due to distance closely correlates with the level of industry agglomeration, and we find similar drops in other types of business networks such as patent collaborations. These findings highlight the pivotal role of very local interaction in fostering agglomeration benefits.

## **“Optimal Industry Mix with Granular Shocks” (with Daniel G O’Connor)**

When firms are subject to granular and industry-wide shocks, regions overspecialize, leaving workers overexposed. Using German employer-employee matched data, we study the optimal industrial policy incorporating heterogeneity in occupation, industry, and region.

## **“Trade, Deindustrialization, and Service-led Growth” (with Tishara Garg and Edward Wiles)**

We examine the impact of trade liberalization on structural change patterns in India. Leveraging district-level variations in sectoral composition, we find that districts with greater tariff reductions experienced larger declines in

manufacturing employment shares. By extending Matsuyama's 1992 model of deindustrialization to include a non-tradable service sector, we demonstrate analytically and through simulations that India's observed deindustrialization and service-led growth can be qualitatively attributed to trade liberalization. We aim to structurally estimate the model parameters to quantify the role of trade liberalization in driving these structural changes.

**“Long-run Implications of Labor Market Power in the United States”**  
(approved US Census Project)

**POLICY  
PAPERS/NOTES**

**“Automation and the Disappearance of Routine Work in Japan”** (with Ippei Fujiwara and Toyoichiro Shirota)  
Discussion Paper 23-E-082, Research Institute of Economy, Trade and Industry (RIETI)  
Accepted at *Journal of the Japanese and International Economies*

**“Heterogeneous Vulnerability to the COVID-19 Crisis and Implications for Inequality in Japan”** (with Sagiri Kitao and Minamo Mikoshiba)  
Discussion Paper 20-E-039, Research Institute of Economy, Trade and Industry (RIETI).

**PUBLICATION**

**“Who suffers from the COVID-19 shocks? Labor market heterogeneity and welfare consequences in Japan”** (with Sagiri Kitao and Minamo Mikoshiba),  
*Journal of the Japanese and International Economies* 59 (2021): 101117.