

# Julio Brandao-Roll

Ph.D. Candidate, London School of Economics and Political Science (LSE)

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## Education

### London School of Economics, UK

Ph.D., Economics, 2021-2025 (expected)

MRes., Economics, 2019-2021 (with Distinction)

### The University of Chicago, USA

M.A., Social Sciences, Concentration: Economics, 2017-2018

### Ecole Centrale de Lyon, France

M.S., Engineering (with Honors, Top 10%), Concentration: Financial Economics, 2013-2015

### University of Lyon II, France

B.A., Economics (with Honors), 2013-2015

### Escola Politecnica da Universidade de Sao Paulo, Brazil

B.S., Mechanical Engineering (Rank: 2<sup>nd</sup> out of 90), 2011-2013, 2015-2016

## Fields

**Primary:** Empirical Macroeconomics

**Secondary:** Growth, Innovation, Firm Dynamics

**Teaching:** Macroeconomics, Quantitative Methods, Innovation

## References

**Prof. Xavier Jaravel**  
[x.jaravel@lse.ac.uk](mailto:x.jaravel@lse.ac.uk)

**Prof. Maarten De Ridder**  
[m.c.de-ridder@lse.ac.uk](mailto:m.c.de-ridder@lse.ac.uk)

**Prof. Matthias Doepke**  
[m.doepke@lse.ac.uk](mailto:m.doepke@lse.ac.uk)

## Awards & Scholarships

11<sup>th</sup> Econ Job Market Best Paper Award (UniCredit Foundation and the EEA), 2024

Class Teacher Award (Highly Commended), LSE, 2022-2023

Master's Award, LSE, 2019-2025

Merit-Based Scholarship, The University of Chicago, 2017-2018

Eiffel Excellence Scholarship, Ecole Centrale de Lyon, 2013-2015

## Teaching

*LSE*

M.Sc. Quantitative Economics, Teaching Fellow to Xavier Jaravel, 2022-2024

B.Sc. Econometrics, Course Manager to Ragvir Sabharwal and Marcia Schafgans, 2023-2024

B.Sc. Econometrics, TA to Michael Gmeiner, 2022-2023

MPP Quantitative Methods, Teaching Fellow to Mark Schankerman, 2021

Executive MPP Policy in Practice, Teaching Fellow to Andres Velasco, 2021

B.Sc. Econometrics, TA to Steve Pischke, Taisuke Otsu, Marcia Schafgans, and Canh Thien Dang, 2020-2021

Executive MPP and MPA Economic Policy Analysis, Teaching Fellow to Ethan Ilzetzki and Sandra Sequeira, 2020

*The University of Chicago (London Campus)*

B.Sc. Macroeconomics, TA to Kotaro Yoshida, 2024

B.Sc. Microeconomics, TA to Min Sok Lee, 2024

B.Sc. Labor Economics, TA to Julio Elias, 2024

## Academic Employment

Research Assistant, LSE, Prof. Xavier Jaravel, 2020-2021

Senior Research Specialist, Princeton University, Prof. Atif Mian, 2018-2019

## Non-Academic Employment

Goldman Sachs, Equity Research Intern, Brazil, 2015-2016

## Job Market Paper

### **Human Capital and Growth: The Role of High-Skill Labor Concentration**

Winner of the 11<sup>th</sup> Econ Job Market Best Paper Award (UniCredit Foundation and the EEA)

This paper raises and tests the hypothesis that the effects of human capital on economic growth depend crucially on the concentration of high-skill labor across firms. Importantly and surprisingly, an increase in human capital supply can actually lower growth if skill concentration across firms is high enough. Intuitively, large firms have limited financial incentives to innovate because they dominate the market and incur the risk of self-cannibalization when innovating; therefore, when increased skill supply primarily benefits these firms, the equilibrium growth impacts can be negative. I investigate this hypothesis in Brazil, establishing three results. First, in a difference-in-differences design across municipalities, I estimate that new colleges had a positive impact on local economic growth in municipalities with lower concentration of high-skill labor, but a negative effect in municipalities with higher skill concentration. Second, I isolate the causal effect of changes in local high-skill labor concentration on local growth using a shift-share design, leveraging loan shocks to firms. Third, I develop and estimate an endogenous growth model, which quantitatively matches the preceding results and which I use to assess policy counterfactuals. These results help explain why several middle-income countries, including Brazil, have experienced a slowdown in growth despite a fast increase in high-skill supply over the past decades.

## Working Papers

### **Heterogeneous Fiscal Multipliers: New Shift-Share Evidence from the UK**

This paper shows evidence and explains heterogeneity in local fiscal multipliers that is unrelated with differences in local marginal propensities to consume. Instead, local labor market and demographic characteristics play a key role. First, I present evidence from the UK of an average local multiplier of 1.69 and 1.71 for services and capital spending, respectively, using a shift-share IV design leveraging UK councils' reliance on funds from the central government. There are, however, significant inter-council differences in the multiplier which can be explained by workers' skill level and labor inactivity. I further show that this novel heterogeneity cannot be explained by variation in local MPCs and that local spending boosts worker productivity while also improving local social and health conditions. I rationalize these results with a model of heterogeneous labor and productivity shocks that impose a psychological toll to workers' cognitive load capacity. Results show potential gains from removing fiscal misallocation between councils and optimal fiscal policy.

**The Fiscal Multiplier of Education Expenditures**, with Maarten De Ridder, Simona M. Hannon, Damjan Pfajfar

This paper examines the short-run effects of education expenditures on local income and employment. We estimate fiscal multipliers using cross-sectional variation in city-level exposure to the \$30-billion Federal Pell Grant Program, which is the largest U.S. program to help low-income students attend college. An increase in Pell grants by 1 percent of a city's income raises local income by 2.8% and local employment by 1.9% over the next two years, both exceeding estimates for military spending (1.5% on average). The higher multiplier is partly driven by Pell grants enabling students to take up student loans, which further relaxes their budget constraint. Multipliers are higher when grants are awarded to students at non-profit colleges. Multipliers are also higher during recessions than in expansions, suggesting that Pell grants can be an effective tool for countercyclical policy that adds to long-term benefits, such as increasing the affordability of college and fostering long-run growth.

## Work in Progress

*New Goods and Store Reputation: Evidence from Covid-19*, with Fraser Clark (CMA)

*Demand-Driven Innovation: Evidence from the Movie Industry*

## Conferences

2024: Warwick Economics Ph.D. Conference; 2022: ASPEC

## Languages & Skills

**Languages:** Portuguese (native), English (proficient), French (proficient, fading), Japanese (N4)

**IT:** Stata, Matlab, Python, R, LaTeX, C/C++, MS Office