

# 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

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**

This paper raises and tests the hypothesis that the effects of human capital on economic growth crucially depend on the concentration of high-skill labor across firms. General equilibrium effects on innovation play a key role. 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 should be limited. I investigate this hypothesis in Brazil, establishing three results. First, in a differences-in-differences design across municipalities, I estimate that new colleges and universities had a much larger impact on local economic growth in municipalities with lower concentration of high-skill labor across firms. 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 either large or small firms. Third, I develop and estimate a formal endogenous growth model, which quantitatively matches the preceding results. 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**

I analyze the heterogeneity of local fiscal multipliers due to demographic and labor market characteristics. 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. I then show that workers' skill level and labor inactivity play an important role in explaining variation in the local multiplier between councils. I show that this novel heterogeneity, however, cannot be explained by variation in local MPCs. I further show that local spending boosts worker productivity while also improving local social and health conditions. I rationalize the empirical results with a model of heterogeneous labor and a low-bandwidth shock that lowers worker productivity by tolling their cognitive load capacity. Finally, I estimate the model via GMM and 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