

Chiara Maggi

Contact Information cmaggi@imf.org
<https://sites.google.com/cmaggi>
Citizenship: Italian

Education Ph.D., Economics, Northwestern University, 2019
M.Sc., Economics, Bocconi University, 2013, *Summa cum Laude*
M.Res., Economics, Catholic University of Louvain, 2013 (Joint Degree w/ Bocconi), *Great Distinction*
B.A., Economics, Bocconi University, 2010, *Summa cum Laude*

Employment Economist, International Monetary Fund, Research Department, World Economic Outlook Division (from September 2022)
Economist (Economist Program), International Monetary Fund, Middle East and Central Asia Department, Morocco desk (March 2021 - August 2022)
Economist (Economist Program), International Monetary Fund, Research Department, Structural Reforms Division (September 2019 - March 2021)
Fund Internship Program, International Monetary Fund, Research Department, Open Economies Division (June - August 2016)

Publications “Goeconomic Fragmentation and Commodity Markets”, with Jorge Alvarez, Mehdi Benatiya Andaloussi, Alexandre Sollaci, Martin Stuermer and Petia Topalova (all IMF). Accepted for publication at the *Journal of International Money and Finance*.

We examine how trade fragmentation—defined as policy-driven reversal of integration into rival blocs—affects granular commodity prices, as well as country-specific and global welfare. Using a novel dataset of production and trade of 48 key commodities, we calibrate a partial equilibrium model for each commodity market to compare outcomes in an integrated world with those in a fragmented one. Our results show that fragmentation can trigger sizable price changes, particularly for minerals critical to the clean energy transition—such as lithium, cobalt, and copper—as well as for key agricultural commodities like soybeans. The economic relevance of commodity trade fragmentation, measured by changes in consumer and producer surplus, varies across countries, but can be substantial. For the world as a whole, offsetting effects across commodity exporting and importing countries imply modest surplus losses.

“Supporting SMEs during COVID-19: The Case for Targeted Equity Injections”, with Federico J. Diéz (IMF) and Romain Duval (IMF). *Economic Letters*.

We analyze the potential role of equity injections in addressing insolvency risks among small and medium-sized enterprises (SMEs) after the COVID-19 crisis. Building on firm-level balance sheet projections for a sample of European economies, we simulate selected policy interventions and find that equity injections are quite effective at dampening the rise in insolvencies. Cost effectiveness requires careful targeting, however; under one illustrative scenario, leaving aside any costs arising from imperfect information and implementation, the cost of a program targeting only those SMEs worth saving is just a tenth of the cost of an untargeted approach directed to all insolvent firms. Overall, our paper provides a case for governments to rely more on targeted equity injections in responding to major shocks that trigger mass solvency risks.

Working Papers “What is the Impact of Increased Business Competition?”, with Sónia Félix (Banco de Portugal) and Lidia Smitkova (Oxford University). R&R *Journal of Political Economy: Macroeconomics*.

This paper studies the macroeconomic effect and underlying firm-level transmission channels of a reduction in business entry costs. We provide novel evidence on the response of firms' entry, exit, and employment decisions. To do so, we use as a natural experiment a reform in Portugal that reduced entry time and costs. Using the staggered implementation of the policy across the Portuguese municipalities, we find that the reform increased local entry and employment by, respectively, 25% and 4.8% per year in the first four years. Importantly, around 60% of the increase in employment came from incumbent firms expanding their size, with most of the rise occurring among the most productive firms. Standard models of entry, exit, and firm dynamics, which assume a constant elasticity of substitution, are inconsistent with these findings. We show that a model with heterogeneous firms and markups, which vary endogenously with a firm's market share and with the mass of operating firms, accounts for our evidence. In this framework, the most productive firms face a lower demand elasticity and increase their employment in response to the rise in entry. Our calibrated model reveals that the change in the level and distribution of markups account for around 40% of the increase in employment and output.

"The Rise in Corporate Savings and Cash Holdings in Advanced Economies: Aggregate and Firm-Level Trends", with Mai Chi Dao (IMF). *IMF Working Paper No. 18/262*.

We document a rise in gross savings and net lending of non-financial corporates across major industrialized countries over the last two decades. Using cross-country and firm-level data, we show that it is mostly driven by rising profitability and falling financing costs. On the other hand, higher corporate savings have not supported a commensurate increase in fixed capital investment. Instead, they led to a build-up of liquid financial assets (cash) on corporate balance sheets.

Research Work in Progress

"Commodities Trade Fragmentation and Market Power", with David Shin (University of Tennessee) and Alexandre Sollaci (IMF).

"Dissecting the Decline in Investment Rates: Shocks vs Responsiveness", with Alberto Ferreira (EUI) and Diaa Noureldin (IMF).

World Economic Outlook Chapters

"Industrial Policy: Managing Trade-Offs to Promote Growth and Resilience", with Shekhar Aiyar, Hippolyte Balima, Mehdi Benatiya Andaloussi, Thomas Kroen, Shrihari Ramachandra, Yu Shi, Simon Voigts, Sebastian Wende, Yarou Xu, and Jiaqi Zhao (all IMF). Chapter 3 in the October 2025 World Economic Outlook. IMF 2025.

"Slowdown in Medium-Term Growth: What Will it Take to Turn the Tide?", with Nan Li, Diaa Noureldin, Cedric Okou, Alexandre Sollaci, and Robert Zymek (all IMF). Chapter 3 in the April 2024 World Economic Outlook. IMF 2024.

"Fragmentation and Commodity Markets: Vulnerabilities and Risks", with Jorge Alvarez, Mehdi Benatiya Andaloussi, Christopher Evans, Marika Santoro, Alexandre Sollaci, Martin Stuermer and Petia Topalova (all IMF). Chapter 3 in the October 2023 World Economic Outlook. IMF 2023.

"A Rocky Recovery", Mehdi Benatiya Andaloussi, John Christopher Bluedorn and Daniel Leigh (all IMF). Chapter 1 in the April 2023 World Economic Outlook. IMF 2023.

"Inflation Peaking Amid Low Growth", with Mehdi Benatiya Andaloussi, Niels-Jakob Harbo Hansen and Daniel Leigh (all IMF). January 2023 World Economic Outlook Update. IMF 2023.

Other IMF Work

"Informality, Development and the Business Cycle in North Africa", with Azhin Abdulkarim, Adrian Alter, Shant Arzoumanian, Karim Badr, Hippolyte Balima, Aymen Belgacem, Olivier Bizimana, Roberto Cardarelli, Matt Gaertner, Mahmoud Harb, Mariam El Hamiani Khatat, Priscilla Muthoora, and Jerome Vacher (all IMF). MCD Departmental Paper. *DP/2022/011*. IMF 2022.

"Inclusiveness, Growth and Stability", with Xin Tang (IMF). In "Promoting Inclusive Growth in the Middle East and North Africa", Chapter 2. *IMF 2022*.

“Insolvency Prospects Among Small and Medium Enterprises in Advanced Economies: Assessment and Policy Options”, with Federico J. Diéz (IMF), Romain Duval (IMF), Jose Carrido (IMF), Sebnem Kalemli-Ozcan (U. Maryland), Maria Soledad Martinez Peria (IMF), and Nicola Pierri (IMF). IMF Staff Discussion Note 21/02.

“Rising Small and Medium-Sized Enterprise Bankruptcy and Insolvency Risks: Assessment and Policy Options”, with Federico J. Diéz (IMF). October 2020 WEO Box 1.3.

“Rising Corporate Market Power: Emerging Policy Issues”, with Ufuk Akcigit (U. Chicago), Wenjie Chen (IMF), Federico J. Diéz (IMF), Romain Duval (IMF), Philipp Engler (IMF), Jiayue Fan (IMF), Marina M. Tavares (IMF), Daniel Schwarz (IMF), Ippei Shibata (IMF), and Carolina Villegas-Sánchez (ESADE). IMF Staff Discussion Note 21/01.

Fellowships & Awards

2021 National Productivity Board/ Banco BPI Prize “Productivity in the Portuguese Economy”, for the paper “What is the Impact of Increased Business Competition?”

2018 Buffett Institute Dissertation Research Travel Award, Northwestern University, for the paper “What is the Impact of Increased Business Competition?”

2017-2018 Kauffman Dissertation Fellowship, Ewing Marion Kauffman Foundation, for the paper “What is the Impact of Increased Business Competition?”

2013-2018 Graduate Fellowship, Northwestern University

2014-2015 & 2015-2016 Distinguished Teaching Assistant Award, Northwestern University

Refereeing

The Review of Economic Studies, Journal of European Economic Association, European Economic Review.

Softwares

Stata, Matlab, Dynare.

Languages

Italian (native), English (proficient), French (professional).