Sergii Meleshchuk

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Current Position

2018/09 –	Economist (Economist Program), International Monetary Fund, Research Department, Open Economy Division

Education

2012/09 – 2018/05	PhD in Economics, Unversity of California, Berkeley Advisor: Andrés Rodríguez-Clare
2010/09 – 2012/06	MA in Economics, Kyiv School of Econonmics
2006/9 – 2010/06	BA in Finance, Kyiv-Mohyla Academy

Working Papers

1. "The Intensive Margin in Trade: How Big and How Important?" with Ana Fernandes, Pete Klenow, Martha Denisse Pierola, and Andrés Rodríguez-Clare and Sam Langfield

   Abstract: In benchmark trade models used for quantitative analysis all variation in bilateral trade flows happens along either the intensive (Krugman) or the extensive (Melitz-Pareto) margin. Using the World Banks Exporter Dynamics Database featuring firm-level exports from 50 countries, we find that around 50% of variation in exports is along each margin, implying that the trade elasticity may not be constant, and gains from trade may differ from those in benchmark models. We show that moving from a Pareto to a lognormal distribution gives a positive role for both margins, and we use likelihood methods to estimate a generalized Melitz model with a joint lognormal distribution for firm productivity, fixed costs and demand shifters. Using exact hat algebra we quantify how trade costs affect trade flows and welfare in the estimated model. We find similar welfare effects to those in the Melitz-Pareto model but significant differences in the implied trade flows.

2. "Price Discrimination in International Trade: Empirical Evidence and Theory"

   Abstract: This paper investigates empirically and theoretically second-degree price discrimination in business-to-business transactions. I use highly detailed transaction-level Colombian imports data to document the presence of quantity discounts. To rationalize this fact, I develop a tractable theoretical framework that embeds nonlinear pricing (second-degree price discrimination) into a standard international trade model and characterize optimal policies. I show that welfare losses from second-degree price discrimination can be quite substantial. Furthermore, optimal tariffs are higher when firms use non-linear prices as compared to standard models. Finally, if the policymaker sets tariffs that are optimal under linear pricing, but firms use second-degree price discrimination, this will lead to significant welfare losses.

3. 'Trade Liberalization and Investment: Firm-level Evidence from Colombia" with Yannick Timmer [Draft coming soon]

   Abstract: Using exposure to a quasi-natural experiment induced by a trade reform in Colombia, we find that firms that have been more exposed to a reduction in overall input tariffs do not significantly increase their investment rates. However, firms' investment rate increase strongly in response to a reduction in

capital goods input tariffs. This behavior is strongest for firms at the third quartile of the size distribution. Firms which are more exposed to capital goods input tariff cuts are also more likely to enter into importing. Other input tariffs and output tariffs do not affect firms' investment rates. In addition, we find that a decline in the price of capital goods can boost employment, especially for production workers. Our results suggest that a reduction in the relative price of capital goods can significantly boost investment and does not seem to lead to a decline in the labor share.

Policy Work

4. "ESR Special Feature: Exchange Rates and External Adjustment " with Gustavo Adler and Carolina Osorio Buitron. Forthcoming in IMF External Sector Report, July 2019

5. "Capital Goods Tariffs and Investment: Firm-level Evidence from Colombia" with Yannick Timmer. Box 3.4. in IMF World Economic Outlook, April 2019

6. "Understanding Trade Deficit Adjustments: Does Bilateral TradePlay a Special Role" with Kyun Suk Chang and Swarnali Ahmed Hannan. Box 4.3.1 in IMF World Economic Outlook, April 2019

Previous Experience

03/2014 – 06/2014	Research Assistant for Andrés Rodríguez-Clare
09/2011 – 05/2012	Research Assistant for Volodymyr Vakhitov

Fellowships and Awards

2014/09 – 2018/08	Grattan Scholarship
2017	American Finance Association Travel Grant
2016	Winner of the ECMI Award for the Best Paper
2013	Deutsche Bank Talent Programme

Teaching Experience

2017/11	Ph.D., Financial Economics, Lecturer, Trinity College Dublin & Central Bank of Ireland
2014/09 – 2015/08	M.Sc., Macroeconomics, Teaching Assistant, Trinity College Dublin

Seminar and Conference Presentations

2019	Banko de la Republica, Colombia; Fedesarollo, Colombia
2018	University of California, Irvine; International Monetary Fund; BI, Oslo
2017	University of California, Berkeley
2016	National Bank of Ukraine
2014	NBER ITI meeting, Stanford University

Personal Information

Born: July 13, 1989. Citizenship: Ukrainian.