

LIDIA SMITKOVA

New Road 1, Nuffield College, OX1 1NF
(0) 787 3570 442 ◊ lidia.smitkova@gmail.com

EMPLOYMENT

Postdoctoral Prize Research Fellow, *University of Oxford* 2022 -

EDUCATION

PhD in Economics, *University of Cambridge* 2016 - 2022

Primary Fields: International Macroeconomics, Trade, Structural Change

M.Phil. in Economics, *University of Oxford* 2014 - 2016

Graduated with distinction. Thesis topic: Factor Misallocation in a Network Economy.

B.Sc. in Economics, *University of Warwick* 2011 - 2014

1st class honours. Graduated top of class (194).

JOB MARKET PAPER

Profits, Superstar Firms and Capital Flows

Abstract: In this paper, I study financial liberalization between economies that differ in their aggregate profit share. I first show that if firms compete oligopolistically, then a high aggregate profit share is a feature of an economy which generates more very large — ‘superstar’ — firms. Embedding this setup in a two-country model with heterogeneous agents and non-homothetic saving behavior, I show that if the domestic economy features a higher aggregate profit share than the foreign, then (1) its autarkic interest rate is lower; (2) it will experience capital outflows during an episode of financial liberalization. I calibrate the quantitative version of the model to eight European economies, and show that the profit share gap can explain 29% of variation in the current account imbalances incurred between 1998 and 2019. I conclude by discussing structural reforms widely advocated for current account rebalancing.

WORKING PAPERS

Structural Change in an Open Economy

Abstract: This paper studies the role of trade and international borrowing in driving structural change. I decompose the change in manufacturing shares into three terms driven by (i) sectoral expenditure shares (what goods do agents buy?), (ii) trade shares (where do agents source these goods from?), and (iii) aggregate trade deficits (who borrows in a given period?), and map the reduced-form terms of the decomposition into structural primitives using a calibrated quantitative model of trade with non-homothetic preferences and endogenous borrowing. Using data from twenty economies between 1965 and 2011, I show that trade specialization and international borrowing explain 23% and 17% of observed change in manufacturing shares, half of cross-country heterogeneity in patterns of industrialization, half the dynamics in high-technology subsectors of manufacturing, and are indispensable for understanding the effect of China on global manufacturing and ‘miracle’ industrialization in South Korea.

RESEARCH VISITS

European Central Bank, *Frankfurt am Main* Sep. 2020 - Nov 2020

· Summer Graduate Research Program: 3-month scholarship to conduct research at DG Research.

International Monetary Fund, *Washington, DC* Jun. 2019 - Aug 2019

· Summer Intern. Project: Terms of Trade Effects in Sub-Saharan Africa.

University of California, Berkeley, *Berkley* Apr. 2018 - May 2018

· Hosted by Prof. Andrés Rodríguez-Clare.

PRESENTATIONS

- Conferences** NBER International Trade and Investment Program Meeting (2023), Nordic International Trade Seminars conference (2023), Banque de France – Pierre Werner Chair (EUI) Conference (2023), Tilburg GIFT (2023), GEP/CEPR Trade Workshop (2023), CFM-Warwick-Vienna Macro Conference (2022), Annual Meeting of the CEPR Macroeconomics and Growth Programme (2022), CEP-LSE Junior Trade Workshop (2022), Lisbon Macro Workshop (2022), Society of Economic Dynamics (2022), Barcelona Summer Forum (2022), Oxford NuCamp Virtual PhD Workshop (2021), Workshop on Globalization and Structural Change, Maastricht University (2019), European Summer Symposium in International Macroeconomics (2018), Society of Economic Dynamics (2018)
- Seminars** University of Warwick (forthcoming), CREI/UPF (forthcoming), International Monetary Fund (2024), St Andrews (2023), CEMFI (2023), Universidad Carlos III de Madrid (2023), University of Bristol (2023), European Central Bank (2020), University of Cambridge (2020), UC Berkeley (2018)

TEACHING EXPERIENCE

- Bye-Fellow at Selwyn College, University of Cambridge** 2019 - 2020
- Supervisions in Microeconomics for 2nd-year undergraduates in Economics
- Teaching Assistant, University of Cambridge** 2017 - 2020
- Classes in Microeconomics for Diploma students in Economics
 - Supervisions in Urban Economics for 2nd-year undergraduates in Land Economy
 - Supervisions in Economics of Public Policy for Master students in POLIS

SCHOLARSHIPS AND AWARDS

- Keynes Fund Grant, Faculty of Economics, University of Cambridge** 2021
- Research grant for ‘Trade Competitiveness and Capital Flows’ (principal investigator)
- Outstanding Student Contribution to Inclusive Practice, University of Cambridge** 2019
- Nominated for the outstanding work in the Athena Swan SAT committee
- Economic and Social Research Council 3-year Scholarship** 2015 - 2018
- Full PhD Studentship
- Nuffield College Studentship, University of Oxford** 2014
- Warwick Undergraduate Research Scholarship Scheme, University of Warwick** 2013
- 3rd Prize in the National Mathematics Olympiad, Estonia** 2011

ACTIVITIES

- Organizer** Macroeconomics Seminar (Oxford), Economics Postdoctoral Seminar Series (Oxford), Growth and Human Capital Mini-Conference (Cambridge)

SKILLS

- Software** Stata, Matlab, L^AT_EX
- Languages** English (fluent), Russian (native), Estonian (intermediate)