

# Ivan Cherkashin

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## Curriculum Vitae

- Citizenship
- USA permanent resident (Green Card), Russian citizen
- Education
- **Ph.D., Economics**, Penn State University, *expected* fall 2009- spring 2010
  - **Degree “Kandidat nauk”** (Candidate of Science), Central Economics and Mathematics Institute, Russian Academy of Sciences, 2004
  - **M.A., Economics**, New Economic School, Moscow, Russia, 2003
  - **B.A.**, (cum laude), Economics, State University of Humanitarian Sciences, Moscow, Russia, 2002
- Ph.D. Thesis
- Essays in International Trade  
**Thesis advisor:** Professor Kala Krishna
- Research fields
- **Primary:** International trade , Industrial organization
  - **Secondary:** Labor economics, Development economics
- Publications
- “The Inside Scoop: Acceptance and Rejection at the Journal of International Economics,” joint with S. Demidova, S. Imai and K. Krishna, *Journal of International Economics*, Vol. 77, Issue 1, pp.120-132, 2009 (Also available as NBER *working paper* # 13957)
- Working papers
- “Firm Heterogeneity and Costly Trade: A New Estimation Strategy and Policy Experiments,” joint with S. Demidova, H.L. Kee, K. Krishna, (*Job Market Paper*)
  - The Great Russian Devaluation and Labor Demand, (*Job Market Paper*)
- Publications in Russian
- “What Does Rent Give to Federal Budget (on the Russia’s Budget Dependence upon ‘Oil Dollars’),” *Voprosy Ekonomiki*, Vol.7, pp. 51-69, 2004 (in Russian)
  - “Russian Enterprises and Business Groups: An Empirical Study of Investment Projects,” I. Cherkashin, *Theory and Practice of Institutional Reforms in Russian Economy*, Issue 2, Moscow, CEMI Russian Academy of Sciences, pp. 126-134, 2003
- Research and academic experience
- Short term consultant, The World Bank, June 2009 – current
  - Research Assistant for professor Kala Krishna, Spring 2008, Summer 2007, Summer 2008, Summer-Fall 2009
  - Internship, Bates White, Washington, DC, Summer 2006
  - Research Assistant for professor Barry Ickes, Summer 2005
  - Analyst, Institute for Open Economy, Moscow, 2003-2004

- Teaching experience
- Summer Instructor: Statistical Foundations for Econometrics (Econ 390), Department of Economics, Penn State, Summer 2007
  - Teaching Assistant for professor Joris Pinkse: Introduction to Econometrics, (Penn State, ECON 490 class), 2 semesters
  - Teaching Assistant for professor Mark McLeod: Intermediate Microeconomics, (Penn State, ECON 302 class), 5 semesters
  - Teaching Assistant for professor Reuben Gronau: Labor economics (graduate level), Economic School 2003
- Presentations at the conferences
- “The Great Russian Devaluation and Labor Demand”
    - Midwest Economic Theory and International Economics Meeting, Penn State University, October 30 -November 1, 2009
  - “Firm Heterogeneity and Costly Trade: A New Estimation Strategy and Policy Experiments,” joint with S. Demidova, H.L. Kee, K. Krishna
    - Society for Economic Dynamic Annual Meeting, Istanbul (Turkey), July 2009
    - 2009 North American Summer Meeting of the Econometrics Society, Boston University, June 4-7, 2009
    - 43d Annual Conference of the Canadian Economic Association, May 29-31, 2009
    - Midwest Economic Theory and International Economics Meeting, Iowa City, Iowa, May 1-3, 2009
  - “The Inside Scoop: Acceptance and Rejection at the JIE,” joint with S. Demidova, S. Imai and K. Krishna
    - 2008 North American Summer Meeting of the Econometric Society, David A. Tepper School of Business, Carnegie Mellon University, Pittsburg, PA, June 19-22, 2008
    - Midwest Economic Theory and International Economics Meeting, Ann Arbor, Michigan, November 2-4, 2007
- Honors and fellowships
- Bates White Fellowship, 2006-2007
  - Full Scholarship, Russian Academy of Sciences, 2003
  - Full Scholarship, New Economic School, 2001-2003
  - Full Scholarship, State University of Humanitarian Sciences, 1998-2003
  - Best student paper award, New Economic School, 2003
- Professional activities, language and computer skills
- Referee for the Journal of International Economics
  - Referee for International Review of Economics and Finance
  - Languages: Russian (native), English (fluent)
  - Statistical packages: Stata, E-views, SPSS, EasyReg, LimDep
  - Programming and math software: Matlab, Gauss, Maple, MathCAD, SWP, GAMS
- References
- Professor Kala Krishna, Penn State University. E-mail: kmk4@psu.edu  
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  - Professor Joris Pinkse, Penn State University, E-mail: joris@psu.edu  
616 Kern Graduate Building, University Park, PA 16802. Tel: (814) 863 – 0508
  - Professor Stephen Yeaple, Penn State University, E-mail: sry3@psu.edu  
520 Kern Graduate Building, University Park, PA 16802. Tel: (814) 865 – 5452
  - Professor Jonathan Eaton, Penn State University, E-mail: jxe22@psu.edu  
518 Kern Graduate Building, University Park, PA 16802. Tel: (814) 865 – 8871
  - Professor Mark McLeod. E-mail: mam63@psu.edu (*For teaching*)  
507 Kern Graduate Building, University Park, PA 16802. Tel: (814) 865 – 9028
  - Professor David Shapiro. E-mail: dshapiro@psu.edu (*For teaching*)  
416 Kern Graduate Building, University Park, PA 16802. Tel: (814) 863 – 1533

**Thesis title:** Essays in International Trade

**Thesis advisor:** Professor Kala Krishna, E-mail: kmk4@psu.edu

**Essay 1.** “Firm Heterogeneity and Costly Trade: A New Estimation Strategy and Policy Experiments,” joint with S. Demidova, H.L. Kee and K. Krishna. (*Job market paper (International trade, Industrial Organization)*)

This paper studies how heterogeneous firms respond to trade policies in their export markets. Firms are heterogeneous in two ways: they face different demand conditions in each market and have different productivities. We thus augment the standard Melitz framework and embed it in a partial equilibrium small country setting. The model is designed to deal with real world trade policy variations, like tariffs, preferences and the fixed and variable costs of obtaining them. Our estimation procedure can be used on purely cross sectional data, and requires only commonly available variables at the firm level such as sales, and the number of firms, which significantly extends its empirical applicability. The application is to Bangladeshi apparel exports to the US and EU. We are able to recover all the parameters of the model, including the multiple levels of fixed costs that firms incur in producing and exporting, preference parameters, and the parameters of the distributions that underlie the multidimensional heterogeneity.

The estimated model implies that there is a very large response of exports to changes in fixed or variable costs. This occurs primarily through changes in the mass of firms entering the industry while the sales of incumbent firms change by little. As a result, trade liberalization by one country, say the EU, results in an increase in exports of Bangladesh to all its export markets, rather than diversion from these markets to the EU. Our work suggests that developing countries could significantly raise their exports by investing in ways of reducing the costs of exporting. This includes improving infrastructure at all levels: from building ports and roads to providing expertise and access to critical factors like refrigeration, irradiation, and certification of produce to meet international standards.

**Essay 2.** “The Great Russian Devaluation and Labor Demand.” (*Job market paper (Labor Economics, International Trade and Development)*)

Does a greater degree of integration into world markets lead to a more elastic demand for labor? Often referred to as the Rodrik hypothesis, this question, despite being important from both theoretical and applied policy standpoints, is still not satisfactorily answered. Several studies that examine data for different countries, periods and aggregation levels, have failed to draw uniform conclusions. Likely reasons for this fact include poor and aggregated data, a lack of large enough shocks in tariffs, an inability to separate the effect of trade from that of other reforms, and the absence of rich sets of predictions from models. In this paper, I avoid these concerns by using a unique firm-level panel data set for several thousand manufacturing firms in Russia during a period of significant and rapid currency devaluation. This event made imports of final and intermediate goods more expensive while making Russian exports less expensive and acted like a tariff on imports and/or a subsidy on exports. In a simple, but yet revealing model, I specify the implications of a devaluation for the labor demand and derive a set of testable predictions. I then use the data and reduced form regressions to test the essence of these predictions and show that trade barriers affect labor demand elasticities. In particular, I find that a 25-30% drop in the conditional labor demand elasticity can be safely attributed to the devaluation.

**Essay 3.** “The Inside Scoop: Acceptance and Rejection at the Journal of International Economics,” joint with S. Demidova, S. Imai and K. Krishna, *Journal of International Economics*, Vol. 77, Issue 1, pp.120-132, 2009 (Also available as NBER *working paper* # 13957)

There is little work on the inner workings of journals. What factors seem to affect the ability to publish in a journal? Could simple rules (which are already used by some journals) like the desk rejection of a significant minority of papers, help to streamline the process? At what cost? How well do journals seem to do in choosing papers? What can we say about the extent of type 1 and type 2 errors? Do editors seem to have uniform standards or are some harsher than others? We use data on submissions to the *Journal of International Economics* to help answer these questions.