

# LYDIA COX

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## HARVARD UNIVERSITY

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### CONTACT INFORMATION:

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Cambridge, MA 02138

### PERSONAL INFORMATION:

Citizenship: United States

### UNDERGRADUATE STUDIES:

B.A. in Economics (minor in Mathematics), Stanford University, Departmental Honors, 2014

### GRADUATE STUDIES:

Harvard University, 2016-present  
Ph.D. Candidate in Economics  
Expected Completion Date: May 2022

### REFERENCES:

Professor Pol Antràs <i>Harvard University</i> 617-495-1236 <a href="mailto:pantras@fas.harvard.edu">pantras@fas.harvard.edu</a>	Professor Marc Melitz <i>Harvard University</i> 617-495-8297 <a href="mailto:mmelitz@harvard.edu">mmelitz@harvard.edu</a>	Professor Raphael Schoenle <i>Brandeis University</i> 617-680-0114 <a href="mailto:schoenle@brandeis.edu">schoenle@brandeis.edu</a>
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### FIELDS:

International Trade (primary) and Macroeconomics (secondary)

### TEACHING EXPERIENCE:

Fall, 2018 and 2019	<i>Globalization and Inequality</i> , Harvard University Teaching Fellow for Professor Marc Melitz <i>Certificate of Distinction in Teaching, 2018</i>
Fall, 2018	<i>American Economic Policy</i> , Harvard University Teaching Fellow for Professors Martin Feldstein and Jeffrey Liebman
Winter, 2014	<i>Intro to Statistical Methods for Social Scientists</i> , Stanford University Teaching Assistant for Professor Scott McKeon
Summer, 2012	<i>Economic Policies of the Presidential Candidates</i> , Stanford University Teaching Assistant for Professors John Shoven and Greg Rosston

## **RESEARCH EXPERIENCE AND OTHER EMPLOYMENT:**

2020-2021	Economics Fellow for Senator Michael Bennet (Washington, DC)
2018-Present	Research Assistant for Professors Raphael Schoenle (Brandeis University) & Michael Weber (University of Chicago, Booth School of Business)
2016, 2020	Research Assistant for Professor Marc Melitz (Harvard University)
2014-2016	Research Economist, Council of Economic Advisers (Washington, DC)
2009, 2013	Research Assistant for Professor Judith Goldstein (Stanford University)
2012	Research Assistant for Professors Thomas Sargent (New York University) & George Hall (Brandeis University)

## **PROFESSIONAL ACTIVITIES:**

Referee	<i>Quarterly Journal of Economics</i> , <i>Journal of Urban Economics</i>
Conferences	Cowles Summer Conference in International Trade (2021)

## **AWARDS, FELLOWSHIPS, AND GRANTS:**

2021	Harvard GSAS Dissertation Completion Fellowship
2020	Program for Economic Research (Columbia University) Data Purchase Grant (\$1,559)
2019	Lab for Economic Applications and Policy (Harvard University) Grant (\$4,700)
2018	Certificate of Distinction in Teaching (Harvard University)
2016	Honorable Mention, NSF Graduate Research Fellowships Program.
2014	John G. Sobieski Award for Creative Thinking in Economics (Stanford University)

## **JOB MARKET PAPER:**

### *The Long-Term Impact of Steel Tariffs on U.S. Manufacturing*

In this paper, I study the long-term effects that temporary upstream tariffs have on downstream industries. Even temporary tariffs can have cascading effects through production networks when placed on upstream products, but to date, little is known about the long-term behavior of these spillovers. Using a new method for mapping downstream industries to specific steel inputs, I estimate the effect of the steel tariffs enacted by President Bush in 2002 and 2003 on downstream industry outcomes. I find that upstream steel tariffs have highly persistent negative impacts on the competitiveness of U.S. downstream industry exports. Persistence in the response of exports is driven by a restructuring of global trade flows that does not revert once the tariffs are lifted. I use a dynamic model of trade to show that the presence of relationship-specific sunk costs of exporting can generate persistence to the extent I find in the data. Finally, I show that taking both contemporaneous and persistent downstream impacts into account substantially alters the welfare implications of upstream tariffs.

## **WORKING PAPERS:**

*Big G*—NBER Working Paper 27034, with Gernot Mueller, Ernesto Pasten, Raphael Schoenle, & Michael Weber

“Big G” typically refers to aggregate government spending on a homogeneous good. In this paper, we open up this construct by analyzing the entire universe of procurement contracts of the U.S. federal government and establish five facts. First, government spending is granular; that is, it is concentrated in relatively few firms and sectors. Second, relative to private expenditures its composition is biased. Third, contracts and firms are short-lived in the dataset and sectoral spending is only moderately persistent. Fourth, idiosyncratic variation dominates fluctuations in spending. Last, government spending is concentrated in sectors with relatively sticky prices. Accounting for these facts within a stylized New Keynesian model offers new insights into the fiscal transmission mechanism and aligns the model predictions with the empirical evidence: fiscal shocks hardly impact inflation, little crowding out of private expenditure occurs, markups can be either pro-cyclical or counter-cyclical depending on the source of the shock, and the multiplier tends to be larger compared to a one-sector benchmark.

## **WORKS IN PROGRESS:**

*Hysteresis in the U.S. Tariff Code: Origins and Implications*—with Miguel Acosta

There is substantial variation in U.S. tariff rates across varieties within narrowly defined products (goods). For example, tariff rates on handbags range from 5 to 16 percent, depending on their material. In this paper, we document the presence, historical origins, and consequences of this pattern. Using a newly constructed dataset on legislated tariffs that covers all major trade agreements back to the 1930 Smoot-Hawley Act, we show that this within-good variation in tariffs originated in trade agreements made in the 1930s and 40s and has persisted over time. Early trade agreements were made primarily with other high-income nations, and concessions were made on the specific varieties of goods that those countries produced. Instead, later GATT and WTO tariff negotiations had the broader focus of bringing down the average level of tariffs. One important consequence of this hysteresis in trade policy is that, today, tariffs are systematically higher on cheaper varieties of goods relative to their more expensive counterparts. We show that failing to take this heterogeneity into account substantially alters the distributional consequences of trade policy.

*U.S. Legislated Tariffs Since 1930*—with Miguel Acosta

We present a newly digitized dataset of legislated tariff rates in the United States dating back to the Smoot-Hawley Tariff Act of 1930. The dataset contains all tariff rates from 1930 to 1946, all rates after each round of GATT negotiations through 1988, and all rates since 1989.

## **OTHER PUBLISHED ARTICLES:**

*Steel Tariffs and U.S. Jobs Revisited*

with Kadee Russ ([Link](#), cross-posted by [PBS News Hour](#))

*Will Steel Tariffs put U.S. Jobs at Risk?*

with Kadee Russ ([Link](#), also covered by [The New York Times](#))

*The Surprising Decline in U.S. Petroleum Consumption*

with Jason Furman, Joshua Linn, & Maurice Obstfeld ([Link](#))