

# ROMAN KLIMKE

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# HARVARD UNIVERSITY

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## Education

### Harvard University

Ph.D. Public Policy (Economics Track), 2018 to 2024 (expected)

### Eberhard Karls University of Tübingen

B.Sc. International Economics and Middle Eastern Studies, 2012 to 2016

## Fields

Primary: Public Economics

Secondary: Labor Economics

Teaching: Applied Econometrics, International Economics

## References

Professor Jeffrey B. Liebman  
Robert W. Scrivner Professor of Public Policy  
Harvard University  
[jeffrey\\_liebman@hks.harvard.edu](mailto:jeffrey_liebman@hks.harvard.edu)

Professor Mark Shepard  
Associate Professor of Public Policy  
Harvard University  
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Professor Robert Z. Lawrence  
Albert L. Williams Professor of International  
Trade and Investment  
Harvard University  
[robert\\_lawrence@hks.harvard.edu](mailto:robert_lawrence@hks.harvard.edu)

Professor Maria Polyakova  
Assistant Professor of Health Policy  
Stanford University  
[maria.polyakova@stanford.edu](mailto:maria.polyakova@stanford.edu)

## Fellowships & Awards

Dissertation Completion Fellowship, Harvard University, 2023 to 2024

Harvard Certificate of Teaching Excellence, Derek Bok Center, 2020 to 2022

GSAS Graduate Fellowship, Harvard University, 2018 to 2020

North America Fellowship, German Academic Exchange Service (DAAD), 2014 to 2015

## Teaching

The Political Economy of Globalization (GENED 1120/BGP 625, graduate & undergraduate)

Head-TF 2022 & TF 2020, 2021 for Professors Lawrence H. Summers and Robert Z. Lawrence

Using Big Data to Solve Economic and Social Problems (ECON 50, graduate & undergraduate)

TF 2021, 2022 for Professor Raj Chetty

## Research

Assistant to Ammar A. Malik, Evidence for Policy Design, Harvard University, 2019 to 2020

Assistant to M. Kate Bundorf and Maria Polyakova, Stanford University, 2016 to 2018

Assistant to Niklas Potrafke, ifo Institute for Economic Research, Munich, Summer 2016

Intern, German-Arab Chamber of Commerce, Cairo, Summer 2015

Assistant to Raj Arunachalam, Economics Department, University of Michigan, 2014 to 2015

## Working Papers

### “The Value of Flexible Labor Sharing: Evidence from Short-Time Work”

The recent COVID-19 pandemic has highlighted the stark contrast in approaches to labor policy across the Atlantic. At the height of the crisis in mid-2020, the U.S. had experienced an increase in unemployment relative to its pre-reform level that was 15 times that of the E.U. Subsequent analyses of the Paycheck Protection Plan (PPP), a trillion-dollar business loan program and the centerpiece of the U.S. response, have spurred debate among labor economists over its efficacy relative to more targeted approaches (Autor et al. 2022, Bartik et al. 2022). In this context, this paper analyses the welfare effects of an alternative policy instrument—tailored wage subsidies

activated when establishment-level workloads fall below a pre-defined threshold known as Short-Time Work (STW). Exploiting variations in benefit eligibility, generosity, and the severity of the pandemic-induced economic shock across time, sectors, establishments, and employees, I evaluate the effects of subsidy receipt on measures such as firm survival, worker retention, and post-recession business performance. I leverage a high-frequency panel on the universe of German establishments that contains detailed information on workforce structures, STW subsidies, and wage dynamics. Based on the estimated per-dollar impact of STW subsidies on individual outcomes, I finally present simulations of the anticipated welfare impacts of STW schemes and loan-type programs of various generosity levels under different economic shocks and labor market scenarios.

**“Health Insurance as Economic Stimulus? Evidence from Long-Term Care Jobs”**, with Martin B. Hackmann, Jörg Heining, Maria Polyakova, and Holger Seibert

Industrial policy is making a comeback, reviving the question of whether government subsidies stimulate labor markets or inefficiently reallocate consumption and workers toward the subsidized industries. We combine decades of rich administrative data and the quasi-experimental variation in the introduction of universal long-term care (LTC) insurance in Germany in 1995 to document that insurance-induced subsidies for long-term care resulted in a significant growth of LTC jobs and overall employment in local labor markets. A 10-percentage point expansion in the share of insured elderly led to 0.05 (7%) more inpatient LTC firms and four (13%) more workers per 1,000 elderly. Wages did not rise, but the quality of newly hired workers declined. Further, workers moved into LTC jobs from unemployment and out of the labor force rather than from other sectors of the economy. We estimate that employing these additional workers in LTC is socially efficient if patients value the care provided by these workers at least at 25% of the market price for care. We find that the German LTC insurance was net welfare positive in the second-best sense, as subsidies that it generated for LTC relaxed labor market frictions from collective bargaining and high unemployment benefits that characterized the German labor market of the mid-1990s. Motivated by these findings in the German context, we develop a new general conceptual framework for thinking about the welfare effects of product-market subsidies. We show that whether subsidies generate welfare gains or losses depends on how the gains in input markets (e.g., the labor market) compare to the traditional deadweight loss in product markets.

**“Equilibrium Effects of a Large Job Training Program: Evidence from Saudi Arabia”**, with Ammar A. Malik

Youth unemployment remains a persistent global issue, with rates exceeding 25% in some regions. Yet, little is known about the efficacy of large-scale employment programs outside Western countries, even as tackling the issue becomes a top priority for emerging countries. This paper evaluates the employment and welfare effects of the Tamheer on-the-job training (OJT) program introduced in 2018. Tamheer matches college-educated applicants to firm-based training opportunities subsidized by a monthly stipend of \$800. Our analysis of program data points to a supply-demand imbalance: of the 26,700 individuals who applied before March 2020, only 6.7% commenced training. Meanwhile, systematic interviews at a large job fair in Jeddah in late 2019 suggest almost universal familiarity with Tamheer and a perceived lack of relevant training opportunities on the dedicated online platform. Most recruiters hesitate to hire trainees via Tamheer due to resource constraints and an anticipated lack of trainee retention. To quantify these frictions, we link administrative program data with the universe of Saudi Social Security records. Leveraging variation in program eligibility rules via a difference-in-differences design, our results suggest that trainees are less likely to be employed and earn less than comparable individuals around the time of training. However, former trainees' wages reached parity with the control group already a quarter of training completion. Given low take-up, we rule out short-run displacement effects. Work in progress uses the most recent administrative data to characterize medium-run effects of program completion and net welfare impacts relative to costs and equilibrium impacts.

<b>Publications</b>	<p><b>“Helping Saudi Youth Succeed on the Labour Market: Evidence from a Job Training Programme”</b> (with Ammar A. Malik and Samia Sekkarie). In <i>Saudi Youth: Policies and Processes</i>, edited by Neil Quilliam, Mark C. Thompson. <i>Springer Nature</i>, forthcoming 2024.</p> <p><b>“Online Consent Enables a Randomized, Controlled Trial Testing a Patient-Centered Online Decision-Aid for Medicare Beneficiaries to Meet Recruitment Goal in a Short Time Frame”</b> (with Amy Meehan, M. Kate Bundorf, Cheryl D. Stults, Albert S. Chan, Ting Pun, and Ming Tai-Seale), <i>Journal of Patient Experience</i>, 7 (1), 12-15, February 2020.</p> <p><b>“Machine-Based Expert Recommendations and Consumer Choices for Medicare Prescription Drug Insurance”</b> (with M. Kate Bundorf, Maria Polyakova, Cheryl D. Stults, Amy Meehan, Ting Pun, Albert Chan, and Ming Tai-Seale), <i>Health Affairs</i>, 38 (3), 482-490, March 2019.</p> <p><b>“Wahlkampf und Rentenpolitik”</b> [Elections and Pension Policy] (with Niklas Potrafke and Markus Reischmann), <i>ifo Schnelldienst</i>, 69 (16), 65-66, 2016.</p>
<b>Papers in Progress</b>	Unemployment Insurance Experience Ratings and Workforce Composition
<b>Seminars &amp; Conferences</b>	EEA-ESEM Virtual 2021; Gulf Research Meeting 2021; EALE-SOLE-AASLE World Conference 2020 ( <i>flash talk</i> )
<b>Research Grants</b>	Evidence for Policy Design, Harvard Kennedy School: \$486,000 (with Rema Hanna and Ammar A. Malik)
<b>Memberships &amp; Affiliations</b>	Harvard Institute for Quantitative Social Science (IQSS); Harvard Center for European Studies (CES); Evidence for Policy Design (EPoD); Society of Labor Economists (SOLE)
<b>Languages</b>	German ( <i>native</i> ); English ( <i>fluent</i> ); Arabic, Russian ( <i>intermediate</i> )
<b>Software</b>	Stata, R ( <i>proficient</i> ); SAS, Python, MATLAB ( <i>intermediate</i> )
<b>Personal Information</b>	Citizenship: Germany Birthyear: 1992