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CURRENT EMPLOYMENT

International Monetary Fund
Economist (EP) at the Western Hemisphere Department

September 2022 - Present
Washington DC, USA

PREVIOUS EMPLOYMENT

GAP Asset Management
International Macroeconomics Analyst (Intern)

January 2012–March 2013
Rio de Janeiro, Brazil

EDUCATION

Ph.D. in Economics
Princeton University

2022
Princeton NJ, USA

M.Sc. in Economics
Fundação Getúlio Vargas (EPGE)

2016
Rio de Janeiro, Brazil

B.A. in Economics
Fundação Getúlio Vargas (EBEF)

2014
Rio de Janeiro, Brazil

RESEARCH INTERESTS

Primary: **Macroeconomics, International Trade**

Secondary: **Development, Labor**

WORKING PAPERS

Minimum Wages, Earnings Inequality and the Informal Sector

How does the minimum wage affect earnings inequality in countries with a large informal sector? This paper studies this question in the Brazilian context throughout the 2000s. Using household survey data, I show that, differently from the formal sector, informal earnings inequality did not fall alongside the rapid expansion of the minimum wage. Moreover, I provide reduced-form evidence that the minimum wage increased overall inequality due to its strong inequality-increasing effects on the informal sector. I then develop a stylized model where heterogeneous firms compete for labor and select into informality. I investigate when and how raising the minimum wage can increase overall inequality and reduce worker welfare. I extend the model to incorporate worker heterogeneity, and calibrate the quantitative framework using Brazilian data. The main counterfactual shows that, by generating substantial amounts of informality, the increase in the minimum wage is responsible for a 6.4% increase in aggregate inequality. My analysis also highlights that the estimated increase in formal enforcement does little to prevent the inequality-increasing effects of the minimum wage. Lastly, I show that improvements in the skill composition reduced informality by 41%, and that the skill-biased technical change increased inequality by 26%. These results suggest that movements into and out of the informal sector modulate the effects of formal labor legislation.

Social Security Reforms, Retirement, and Sectoral Decisions with Pedro Cavalcanti Ferreira and Bruno Delalibera

In many countries, the regulations governing public and private pension systems, hiring procedures, and job contracts differ. Public sector employees tend to have longer tenures and higher wages compared to workers in the private sector. As such, social security reforms can affect both retirement decisions and sectoral choices. We study the effects of social security reforms on retirement and sectoral behavior in an economy with multiple pension systems. We develop a life-cycle model with three sectors – private formal, private informal and public – and endogenous retirement. In a model calibrated to Brazil, we quantitatively assess the long-run effects of reforms being discussed and implemented across countries. Among them, we study the unification of pension systems and increasing the minimum retirement age. We find that these reforms affect the decision to apply to a public job, the profile of savings over the life cycle, and informality. In the long run, these reforms lead to higher output and capital, reduced informality, and average welfare gains. They also drastically reduce the social security deficit.

Non-traded Gains from Trade: Evidence from Brazil with Rowan Shi

We investigate the impact of trade shocks on the labor allocation across plants at the local labor market level. Using the Brazilian import liberalization as the empirical setting, we uncover a novel margin for the gains from trade: reorganization of labor among *non-traded* producers. We begin by showing empirically that local labor markets more exposed to the policy experienced more job reallocation across firms within traded and non-traded industries compared to those less exposed. Moreover, small establishments were less likely to survive compared to large establishments; among survivors, they were less likely to grow. To explain these empirical regularities, we provide reduced-form evidence that non-traded producers select into importing: plants in high exposure regions were more likely to start importing, with new importers originating from the middle of the size distribution but growing the most over the liberalization period. Motivated by these findings, we develop a parsimonious model of heterogeneous producers incorporating this mechanism. The theory is consistent with the empirical findings, and implies that reallocation among non-traded producers is welfare-enhancing. In contrast, in a special case where all non-traded producers make the same importing decision, this reallocation effect disappears.

POLICY WORK

Belize: 2023 Article IV Staff Report. IMF Country Report No. 23/164 International Monetary Fund.

Belize: 2023 Selected Issues. IMF Country Report 23/165, International Monetary Fund.

October 2023 Regional Economic Outlook: Western Hemisphere, “Trade Integration and Implications of Global Fragmentation to Latin America and the Caribbean.” (Background Paper 2).

October 2023 Regional Economic Outlook: Western Hemisphere, “Crime and its Macroeconomic Consequences in Latin America and the Caribbean.” (Online Annex 4).

REFEREEING

The B.E. Journal of Macroeconomics

PRESENTATIONS

2023: LACEA; 2022: Inter-American Development Bank, Federal Reserve Board, Fundação Getulio Vargas (EPGE), Fundação Getulio Vargas (EESP); 2019: Society for Economic Dynamics;

PRIZES AND HONORS

International Economics Section Summer Fellowship, Princeton University	2018-2021
Graduate Fellowship, Princeton University	2016-2022
Fellowship for Master’s Studies in Economics, CNPq	2014-2016
Undergraduate Scholarship, Fundação Getúlio Vargas (EBEF)	2011-2014

RESEARCH EXPERIENCE

Research Assistant for Professor Stephen Redding	Princeton University, Spring 2019
Research Assistant for Professor Oleg Itskhoki	Princeton University, Summer 2017
Research Assistant for Professor Pedro Cavalvanti Ferreira	Fundação Getúlio Vargas (EPGE), 2016

TEACHING EXPERIENCE

Teaching Assistant: Introduction to Microeconomics (Undergraduate) Professor Kelly Noonan	Fall 2020 Princeton University
Teaching Assistant: Introduction to Macroeconomics (Undergraduate) Professor Elizabeth Bogan	Fall 2018, Spring 2020 Princeton University
Teaching Assistant: Macroeconomic Theory II (Graduate) Professors Cezar Santos and Felipe Iachan	July 2015–September 2015 Fundação Getúlio Vargas (EPGE)
Teaching Assistant: International Trade (Undergraduate) Professor Erica Diniz Oliveira	January 2015–June 2015 Fundação Getúlio Vargas (EPGE)
Teaching Assistant: Macroeconomic Theory I (Graduate) Professor Rubens Penha Cysne	January 2015–March 2015 Fundação Getúlio Vargas (EPGE)

OTHER

Programming:	Fortran, Matlab, Stata, \LaTeX
Languages:	Portuguese (native), English (fluent), Spanish (elementary)
Citizenship:	Brazilian
Other interests:	Basketball and rock climbing