



October 30, 2012

Dear Colleague:

Enclosed you will find the CV's and thesis abstracts of our PhD students on the job market this year. We would appreciate your giving these candidates serious consideration for any openings you may have in your department. Job market papers and other relevant information are located in each student's website. Links to all these pages can be found at:

<http://www.economics.utoronto.ca/index.php/index/graduate/jobCandidates>

Should you require any further information on these students, please do not hesitate to give me a call at (416) 978-5114 or e-mail me at diego.restuccia@utoronto.ca.

Sincerely,

Diego Restuccia

Pedro Bento

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Citizenship	Canadian
Research Interests	Macroeconomics Development and Growth Competition and Innovation
Teaching Interests	Macroeconomics Development and Growth Competition and Innovation

Education

2008-	PhD, Economics, University of Toronto (expected completion 2013)
	Dissertation: Competition, Innovation, and Regulation: Accounting for Productivity Differences
	Committee: Diego Restuccia (supervisor), Xiaodong Zhu, Gueorgui Kambourov
2008	MA, Economics, Simon Fraser University (2006-2008)
2006	BA, Economics, University of Western Ontario (2002-2006)

Awards

University of Toronto Graduate Fellowship, 2008-2012
Simon Fraser University Graduate Fellowship, 2006-2007
Millenium Scholarship, 2003-2006
Godsoe Family Scholarship, 2004-2006
TD Bank Financial Group / William T. Brock Bursary 2004-2006

Publications and Research Papers

Niche Firms, Mass Markets, and Income Across Countries: Accounting for the Impact of Entry Costs, (job market paper)

- Presented at the Macroeconomics Workshop (University of Toronto) Oct 2012, and the Economics PhD Workshop 2012 (University of Guelph)

Competition as a Discovery Procedure: Schumpeter Meets Hayek in a Model of Innovation, (submitted 2012)

- Presented at the Canadian Economics Association 2011 Annual Conference (University of Ottawa), the 2011 Midwest Macroeconomics Meetings (Vanderbilt University), EconCon 2010 (Princeton University)

Professional Experience

2011-2013: Instructor, University of Toronto

- Intermediate Macroeconomics for second-year undergraduates

2006-2011: Teaching Assistant, University of Toronto and Simon Fraser University

- Intermediate Macroeconomics for second-year undergraduates
- Urban Economics for third-year undergraduates
- History of Economic Thought for fourth-year undergraduates
- International Trade for second-year undergraduates
- Economic Growth and Technological Change for third-year undergraduates
- Economic Development for third-year undergraduates
- Microeconomics for first-year undergraduates
- Macroeconomics for first-year undergraduates
- Political Economy of Economic Development for fourth-year undergraduates

2004-2013: Research Assistant

- Assisted Professor Diego Restuccia (University of Toronto)
- Assisted Professor Nilesh Saraf (Simon Fraser University)
- Assisted Jim MacGee (University of Western Ontario)

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Dissertation Abstract

**Competition, Innovation, and Regulation:
Accounting for Productivity Differences**

Niche Firms, Mass Markets, and Income Across Countries: Accounting for the Impact of Entry Costs

I develop a model of monopolistic competition in which I distinguish between niche markets and mass markets, in the spirit of Holmes and Stevens (2010). Firms choose between entering a small market with high markups or a large market with low markups. Entry costs have a much greater impact on output in the niche market as the gains to specialization are high, relative to the mass market where varieties are highly substitutable. Calibrated to match data from U.S. manufacturing, the model generates an elasticity of TFP with respect to entry costs more than twice that in a model that abstracts from heterogeneous markets. I use data on entry costs across countries to show the model can explain 45% of the cross-country variation in TFP and income per worker. In comparison, empirical estimates of the explanatory power of entry costs are about 50%.

Competition as a Discovery Procedure: Schumpeter Meets Hayek in a Model of Innovation

I incorporate an insight of Friedrich Hayek - that competition allows a thousand flowers to bloom, and discovers the best among them - into a standard model of innovation wherein firm entry, firm-level research, and markups are all endogenously determined. If firms are uncertain about the optimal direction in which to innovate, more firms implies more innovations, resulting in a higher expected value of the 'best' innovation. When this Hayekian uncertainty meets the traditional Schumpeterian mechanism, whereby lower rents discourage firm-level research, the model can account for two seemingly contradictory relationships found in recent empirical studies - a positive relationship between competition and industry-level productivity growth, and an inverted-U relationship between competition and firm-level innovation. I use the model to evaluate the effects of antitrust policy. Notwithstanding the positive relationship between competition and growth, I find antitrust policy to be detrimental to industry-level productivity growth.

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Citizenship Canadian

Languages English, French (intermediate)

Research Interests Public Economics
Corporate Finance
Empirical Microeconomics

Teaching Interests Public Economics
Corporate Finance
Public Policy

Education

- 2007-present PhD candidate, Economics, University of Toronto (expected completion in 2013)
Dissertation: Essays on Business Taxation
Committee: Michael Smart (supervisor), Robert McMillan, Laurence Booth,
Alex Edwards
- 2006-2007 MA, Economics, University of Toronto
- 2003-2006 BA (Honours), Economics, University of Guelph

Awards

- University of Toronto Thesis Completion Grant, 2012
Dorothy J. Powell Graduate Scholarship in International Economics, 2011
SSHRC CGS Doctoral Scholarship, 2007-2010
University of Toronto Fellowship, 2007-
C.B. Macpherson Graduate Admission Award, 2007
SSHRC CGS Master's Scholarship, 2006-2007
Ontario Graduate Scholarship (2006, declined)
J.W. Skinner Honours Scholarship in Social Science (2005)
John Vanderkamp Memorial Scholarship in Economics (2005)
John Kenneth Galbraith Scholarship in Economics (2005)

Publications and Research Papers

“The Effects of Taxes on the Market for Corporate Control” (job market paper)

“Dividends and Shareholder Taxes: Evidence from Tax Reform”

“Taxation and Executive Compensation: Evidence from Stock Options” (work in progress)

Professional Experience

2008-present: Course Instructor, University of Toronto

- Contemporary Economic Systems (2010 x2)
- Advanced Microeconomic Theory (2009)
- Economics of the Public Sector – Taxation (2008)

2006-present: Research Assistant, University of Toronto

- Assisted Professor Michael Smart
- Assisted Professor Stéphane Mechoulan

2006-present: Teaching Assistant, University of Toronto

- Public Economics
- Canadian Economic History since 1500
- Quantitative Methods for Policy Analysis
- History of Economic Thought
- Quantitative Methods
- Introductory Economics
- Principles of Economics for Non Specialists

Conferences and Invited Seminar Presentation

2012 University of Guelph
2011 Oxford Centre for Business Taxation

Refereeing

Canadian Journal of Economics

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Dissertation Abstract

The Effects of Taxes on the Market for Corporate Control *(Job market paper)*

Foreign corporations are likely to have tax advantages over US corporations for a variety of reasons, potentially influencing merger and acquisition activity – the key channel for foreign direct investment. If tax rather than productivity differences drive M&A activity, global welfare will be lower, given that ownership will not be arranged to maximize the pre-tax value of assets. I build a theory with both tax and productivity differences among potential acquirers, and develop comparative static implications showing how these differences interact with target firm characteristics to determine equilibrium in the market for corporate control. The theory yields two testable implications: that low-tax foreign bidders are more likely to acquire more profitable target firms than are high-tax domestic bidders, and that increases in available tax deductions lead to decreases in the probability of foreign acquisition. I test for these effects using the universe of all public U.S. M&As from 1990-2010. My empirical strategy exploits both cross-sectional variation in target profitability and industry-level variation in the generosity of investment allowances due to bonus depreciation after 2001. I find clear evidence in support of both predictions. First, a one standard deviation higher target profitability increases the probability that the acquirer will be foreign by 16% (or 2.8 percentage points). This result is robust to controlling for non-tax bidder differences using minority transactions, and is stronger, in line with the prediction, for foreign acquirers resident in tax havens. Second, difference-in-differences estimates imply that the increase in allowances from bonus depreciation caused a 5.3 percentage point drop in foreign acquisitions in the post-reform period, which led to a welfare loss on the order of 5% of assets, or \$360B. These two dimensions of sorting suggest new ways in which domestic taxes can affect FDI and have important consequences for domestic and world welfare.

Dividends and Shareholder Taxes: Evidence from Tax Reform

The effect of dividend taxes on dividend payments is a topic of considerable debate with potential repercussions for the cost of capital and investment. The traditional view of dividends suggests that dividend taxes lead to lower dividends, a higher cost of capital and so lower investment. In contrast, according to the new, or trapped equity, view, dividend taxes are neutral to dividend payout, the cost of capital and investment. I test these theories using firm-level panel data surrounding a recent policy change in Canada. This reform cut the shareholder-level tax rate on dividends for top tax bracket investors by about 25%. Analysis of discrete dividend events (initiations or increases) suggest little effect from the dividend tax cut. However, estimates from a dynamic model using the full amount of variation in regular dividends in a difference-in-differences framework imply a substantial positive impact. The control group for this strategy consists of companies with a significant interlisting on US stock exchanges or those with a large foreign or pension fund investor that is not subject to shareholder taxes. This result is consistent with the traditional view of dividends, as well as recent findings from the US, though moderated by the importance of cross-border capital flows. It appears that only a subset of firms are catering to investors subject to domestic shareholder dividend taxes.

Taxation and Executive Compensation: Evidence from Stock Options

In light of growing inequality and large government deficits, collecting more tax revenue from high income taxpayers is attracting increasing interest. The possibility and desirability of such a policy hinges critically on how such taxpayers respond to increases in their tax burden. A recent tax reform in Canada, which greatly increased the effective tax rate on stock option compensation for a subset of firms by removing a deduction previously available at the corporate level provides an excellent opportunity to address this question. I collect a novel panel dataset of compensation of the top five executives at 600 firms for the period 2008-2011. Findings from both matching and difference-in-differences strategies suggest that this tax increase was completely borne by the shareholders of the firm, so that executives received the same after-tax compensation. There is no evidence that other components of compensation, such as the executive's salary or bonus, were adjusted in response. These results are consistent with executive compensation being very sticky in the short run, or with executives exercising significant bargaining power to pass tax increases on to their employers.

Victor Couture

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Citizenship Canadian

Languages English, French

Research Interests Applied Microeconomics
Urban Economics
Public Economics

Teaching Interests Microeconomics, Urban Economics, Public Economics
Undergraduate Econometrics, Statistics and Mathematical Economics

Education

2007- Ph.D., Economics, University of Toronto (expected completion 2013)
Dissertation: Three Essays in Urban Economics
Committee: Gilles Duranton (co-supervisor), Matthew Turner (co-supervisor), Robert McMillan and William Strange

2007 M.A., Economics, The University of British Columbia (2006-2007)

2006 B.A., McGill University (2003-2006)

Awards

Samuel Hollander Graduate Award, 2011-2012
Doctoral Completion Award, 2011-2013
Royal Bank Graduate Fellowship in Public and Economic Policy, 2010-2012
University of Toronto Fellowship 2007-2012
SSHRC CGS Doctoral Scholarship, 2007-2010
Mary H. Beatty Fellowship, 2007-2008
SSHRC MA Scholarship 2006-2007
Allen Oliver Fellowship 2006
Great West Life and London Life Scholarship in Arts 2005
James McGill Scholarship 2003-2006

Research Papers

“Valuing the Consumption Benefits of Urban Density” (Job Market Paper)

“Knowledge Transfers in Cities: An Auction Approach”

“Speed” (with Gilles Duranton and Matthew Turner)

Professional Experience

2009-2012: Course Instructor, University of Toronto

- Intermediate Microeconomics
- Mathematical Methods for Economics Theory

2007-2012: Teaching Assistant, University of Toronto

- Urban Economics
- Advanced Microeconomics Theory
- Economic Development
- Economics of Organization
- International Trade

2005-2011: Research Assistant, University of Toronto and McGill University

- Gilles Duranton and Matthew Turner, Transportation
- Leah Brooks, Municipal Bonds
- John Galbraith, Forecasting

Conferences and Invited Seminar Presentations

Canadian Economics Association (Quebec City 2010), North American Regional Science Council (Denver 2010), Brown University (2012), Rimini Conference in Economics and Finance (Toronto 2012), Conference on Urban and Regional Economics (Princeton 2012).

Computer Skills

Stata, MATLAB, PHP, MySQL

Refereeing

Journal of Urban Economics, Journal of Environmental Economics and Management

References

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Dissertation Abstract

Three Essays in Urban Economics

Valuing the Consumption Benefits of Urban Density (Job Market Paper)

I investigate the consumption benefits of urban density in the United States. Using a model of travel demand, I show how access to a high density of destinations allows consumers to realize welfare gains from variety. I then estimate these gains in the restaurant industry using comprehensive new micro-geographic restaurant data from Google's local business pages, providing the first measures of the gains from variety in the non-tradable service sector. The identification strategy builds on the idea that an individual's decision to incur extra transportation costs to reach a preferred destination reveals her willingness to pay for access to a location closer to her ideal, and ultimately reveals how much individuals value having a large choice set. I find wide disparities across areas in a variety-adjusted restaurant price index, leading to significant welfare differentials. Within the largest metropolitan areas, the index often decreases by more than 20% from a city's outskirts to the denser downtown core. In absolute value, Americans' welfare gains from access to a variety of eating options beyond the one restaurant closest to them amount to approximately 2% of consumer expenditures. The model predicts a key feature of the data, that an increase in the density of destinations fails to generate much reduction in trip time. Therefore, most of the gains from density that I estimate are gains from variety, as opposed to gains from travel time savings on each trip.

Knowledge Spillovers in Cities: An Auction Approach

I propose a new micro-foundation for knowledge spillovers. I specify a model of a city in which uncompensated knowledge transfers to entrepreneurs are bids by experts in auctions for jobs. The model derives from the key ideas about how knowledge differs from other inputs of production, namely that knowledge must be possessed for its value to be assessed, and that knowledge is freely reproducible (Arrow 1962). The model identifies conditions under which knowledge spills through non-market interactions, as opposed to being transacted in markets. Endogenous agglomeration economies result from growth in the number of meetings between experts and entrepreneurs and from heightened competition for jobs among experts.

Speed (with Gilles Duranton and Matthew Turner)

We investigate the determinants of driving speed in large US cities. We first estimate city level supply functions for travel in an econometric framework where both the supply and demand for travel are explicit. These estimations allow us to calculate a city level index of driving speed and to rank cities by driving speed. Our investigation of the determinants of speed provides the foundations for a welfare analysis. This analysis suggests that large gains in speed may be possible if slow cities can emulate fast cities and that the deadweight losses from congestion are sizeable.

Leo Karasik

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Citizenship Canadian, Israeli

Languages English, Hebrew, Russian

Research Interests International Economics
Macroeconomics

Teaching Interests International Economics
Macroeconomics
Monetary Economics

Education

2007-present PhD, Economics, University of Toronto, Toronto, ON, CA
(expected completion: August 2013)

Dissertation: Essays in International Trade
Committee: Daniel Trefler (supervisor), Peter Morrow,
Kunal Dasgupta

2006-07 MA, Economics, Queen's University, Kingston, ON, CA

2001-06 BA, International Relations and Economics, Carleton University, Ottawa,
ON, CA

Awards

Doctoral Completion Award, University of Toronto, 2012

University of Toronto Graduate Fellowship, 2007-11

Queen's University Graduate Fellowship, 2006-07

Conference Presentations

Rimini Conference in Economics and Finance, Toronto, ON, CA, 2012

Research Papers

The Geographic Organization of Multinational Firms in a Multi-Country World: Theory and Evidence, (job market paper)

The Impact of Labor Market Institutions on Markups and Export Market Performance when Firms and Countries are Heterogeneous, working paper

Professional Experience

2010-12: Referee, Journal of International Economics

2007-12: Teaching Assistant, University of Toronto

- International Trade, third year undergraduates
- International Monetary Economics, third year undergraduates
- Industrial Organization, third year undergraduates
- Macroeconomics, second year undergraduates
- Introduction to Economics, first year undergraduates
- Conducted tutorials and graded problems and examinations

References

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Professor Peter Morrow
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Dissertation Abstract

The Geographic Organization of Multinational Firms in a Multi-Country World: Theory and Evidence (job market paper)

Theories on foreign direct investment (FDI) typically make at least one of two assumptions: a firm's market entry decision is independent of its actions elsewhere, or all affiliates are manufacturers. Recent research has found that third countries affect FDI inflows, and that many affiliates do not manufacture anything. This paper addresses both issues. It examines a firm's market access decision in a three-country heterogeneous firms framework. Among the options are establishing a manufacturing affiliate or a wholesale affiliate. Firms choosing the former are found to be more likely to enter a nearby market that they otherwise would not. Wholesale FDI is the more likely form of entry there. Both predictions are tested using hand collected firm-level data for French firms. Strong support is found for the model's predictions. I also find that wholesale FDI is preferred in more *distant* markets. This is consistent with the hypothesis that wholesale affiliates are established primarily to facilitate exports from nearby manufacturing affiliates, not from the parent as has been heretofore assumed by literature.

The Impact of Labor Market Institutions on Markups and Export Market Performance when Firms and Countries are Heterogeneous

This paper studies how differences in labor market institutions impact firms in an open economy. I construct a model of trade between two countries in which firms face hiring costs. In addition, one of the countries has a unionized labor force. One might expect the model to replicate the findings of Helpman and Itskhoki (2010), i.e., the country with lower labor costs should have a higher survival cutoff and a larger proportion of firms that enter the export market. This is not necessarily the case. Introducing distortions into the model alters the markup charged by firms. Since labor market institutions differ across countries, so do the markups. The survival cutoff and the fraction of firms that export may therefore be higher in either country, depending upon the relative values of the two markups. I use these findings to show that it is possible to overturn some of the fundamental results of the Melitz (2003) model. Specifically, I show that trade liberalization can lower the survival cutoff and the average productivity of active firms. I also show that it is possible for trade liberalization to lower export sales of existing exporters—even when preferences are of the CES form—if the gap between the two markups is sufficiently large. My results indicate that the effect of trade liberalization is highly sensitive to the degree of product market competition when the countries involved have different labor market institutions.

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Citizenship Canadian

Languages English, French (Intermediate)

Research Interests Health Economics
Economic History
Economics of the Family
Applied Econometrics

Teaching Interests Health Economics
Labour Economics
Econometrics
Economics of the Family

Education

2008-present PhD, Economics, University of Toronto (expected completion in 2013)
Dissertation: *Fertility, Child Health, and the Diffusion of Electricity into the Home*
Committee: Aloysius Siow (co-supervisor), Mark Stabile (co-supervisor),
Dwayne Benjamin, Robert McMillan

2006-2007 MA, Economics, Queen's University

2001-2005 BA(Hons), Economics, McGill University

Awards

2012 University of Toronto Doctoral Thesis Completion Grant
2010-2012 Royal Bank Graduate Fellowship in Public and Economic Policy
2010-2011 SSHRC Doctoral Fellowship
2008-present University of Toronto Fellowship
2006 Queen's University Graduate Fellowship

Publications and Research Papers

“Fertility, Child Health, and the Diffusion of Electricity into the Home” (Job Market Paper)

“Gender Differences in Smoking: Evidence from Canadian Smoking Bans”

“The Impact of Public Smoking Bans on Smokers and Non-smokers”

“The Mariel Boatlift, Sex Ratios, and Marriage Outcomes for Cubans in Miami”

“Technology and Changes in Local Labour Markets: Evidence from the Rollout of the US Power Grid” (In Progress)

Professional Experience

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| 2008-present | Teaching Assistant, School of Public Policy, University of Toronto <ul style="list-style-type: none">• Microeconomics (graduate) |
| 2009-present | Teaching Assistant, Department of Economics, University of Toronto <ul style="list-style-type: none">• Economics of the Family (undergraduate)• Statistics (undergraduate)• Econometrics (undergraduate) |
| 2009 | Instructor, School of Public Policy, University of Toronto <ul style="list-style-type: none">• Mathematics and Statistics Review (graduate) |
| 2008-2012 | Research Assistant, Department of Economics, University of Toronto <ul style="list-style-type: none">• Assisted Professor Michael Baker |
| 2008-2011 | Research Assistant, Department of Economics, University of Toronto <ul style="list-style-type: none">• Assisted Professor Mark Stabile |
| 2006-2007 | Research Assistant, School of Public Policy, Queen’s University <ul style="list-style-type: none">• Assisted Professor Arthur Sweetman |
| 2005-2006 | Research Assistant, Department of Economics, University of Calgary <ul style="list-style-type: none">• Assisted Professor Herb Emery |

Conferences and Invited Seminars

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|------|---|
| 2012 | Queen’s University (Economics) |
| 2012 | Economic History Association (Poster Session) |
| 2011 | Canadian Network for Economic History |

Refereeing

Economic Development and Cultural Change, Journal of Development Economics, Review of Economic Studies

References

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Dissertation Abstract

Fertility, Child Health, and the Diffusion of Electricity into the Home (Job Market Paper)

This paper studies how access to electricity and labour-saving household appliances affected fertility and child health between 1930 and 1960 in the US. In the baseline models, I estimate the relation between changes in the proportion of households with electricity or modern appliances to changes in fertility rates and infant mortality. The fact that the decision to purchase a modern appliance may have been correlated with unobservable family characteristics creates a challenging identification problem, which I address using a new dataset that provides information on the construction of over 1600 new power plants between 1930 and 1960. Identification relies on plausibly exogenous changes in the cost of supplying power to different communities based on their location. I find that modern household technologies led families to make a quantity-quality tradeoff in terms of children: modern appliances were associated with decreases in infant mortality, and declines in fertility. The declines in infant mortality were particularly large in states that relied heavily on coal for heating and cooking, consistent with modern stoves directly reducing indoor air pollution. Meanwhile, health improvements were larger in states that had previously invested heavily in maternal education programs, suggesting that household modernization also led parents to provide better infant care. Further, the results do not appear to have been driven by local economic development or changes in the quality of local health care. The diffusion of electricity into the home can account for between 25% and 30% of the total decline in infant mortality throughout this period. These results have implications for current policy, given that over 1.6 billion people worldwide still do not have access to electricity, this study suggesting that new off-grid electrification programs have the potential to greatly improve child health.

Gender Differences in Smoking: Evidence from Canadian Smoking Bans

Despite a large literature emphasizing the indirect costs associated with female smoking, there has been limited research assessing whether men and women respond differently to anti-smoking policies. This paper fills that gap, examining the effect of Canadian public bans on male and female smoking rates and cigarette consumption, the unique rollout of Canadian bans allowing me to address several identification issues associated with non-random adoption of local bylaws. I find that public bans led to large declines in female smoking rates but had virtually no impact on male smoking. These results are robust to a variety of alternative estimation strategies, and are consistent with previous studies that have found females to be much more likely to engage in ‘social smoking.’ Moreover, the results highlight how public bans can be an effective tool to reduce female smoking, a key objective of policy makers.

The Impact of Public Smoking Bans on Smokers and Non-smokers

This paper studies how smoker and non-smoker spending patterns are influenced by smoking bans. The analysis relies on the adoption of over 100 local and provincial smoking bans in Canada. Using a detailed survey of household spending, I find that public bans led smokers to spend less money on alcohol at licensed establishments and spend more money on store-bought alcohol. There was no corresponding increase in spending at bars among non-smokers, although they did spend more money on food at restaurants. These results enhance our understanding of the economic impact of public bans, and highlight a potentially unintended consequence of these policies: the displacement of smoking from bars into the home.

The Mariel Boatlift, Sex Ratios, and Marriage Outcomes for Cubans in Miami

This paper studies how changes in the sex ratio affect marriage outcomes and pre-marital investments. The empirical analysis exploits a large exogenous shock in the supply of young Cuban men in Miami resulting from the Mariel Boatlift. I study the effect of the influx of Mariel immigrants on marriage outcomes for Cubans who already resided in Miami. The results suggest that increases in the sex ratio led to decreases in marriage rates for Cuban men and increases in marriage rates for Cuban women. These effects were partially offset by two channels. First, by changes in the pattern of marriage: among cohorts exposed to the Mariel Boatlift, Cuban males became more likely to marry non-Cuban females, while Cuban females became less likely to marry non-Cuban males. Second, by changes in pre-marital investments: relative to other ethnic groups facing similar labour market conditions, younger cohorts of Cuban men acquired more education, which ultimately improved their future marriage outcomes. These results suggest that the effects of supply shocks in the marriage market can be mitigated by individual behaviour.

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Citizenship Canadian, Russian Federation (dual)

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Research Interests Labour Economics, Economics of Education
Development Economics

Teaching Interests Labour Economics, Development Economics, Microeconomics
Undergraduate microeconomics, statistics and econometrics

Education

2007-present PhD, Economics, University of Toronto (expected completion in 2013)

Dissertation: Three Essays in Economics of Education
Committee: Dwayne Benjamin (supervisor), Gustavo Bobonis, Philip Oreopoulos

2006 MA, Economics, Ryerson University (2005-2006)

Awards

Doctoral Completion Award, 2011-2012, 2012-2013

Royal Bank Graduate Fellowship in Public and Economic Policy, 2011

Department of Economics Conference Travel Award, 2011, 2012

University of Toronto Graduate Fellowship, 2007-2010

Marry H. Beatty Fellowship, 2007-2008

Ryerson University Graduate Fellowship, 2005-2006

Research Papers

Peer Effects in the Classroom: Evidence from New Peers (job market paper)

Quantifying the Microeconomic Effects of War: How Much Can Panel Data Help? (with Eik Swee) (under review)

Caste, Gender and School Enrolment: Evidence of Peer Effects from Nepal

Professional Experience

2009-2012 Course Instructor, Department of Economics, University of Toronto
• Quantitative Methods in Economics (second year undergraduate)

2007-present Teaching Assistant, Department of Economics, University of Toronto
• Microeconomics (undergraduate)
• Behavioural and Experimental Economics (undergraduate)
• Quantitative Methods in Economics (undergraduate)
• Macroeconomics (undergraduate)
• History of Economic Thought (undergraduate)

2006-2007 Teaching Assistant, Department of Economics, Ryerson University
• International Trade (graduate)
• Microeconomics (undergraduate)

2010-present Research Assistant, Department of Economics, University of Toronto
• Assisted Professor Loren Brandt
• Assisted Professor Dwayne Benjamin

Conferences and Seminar Presentations

2012 Rimini Conference in Economics and Finance, Toronto
2012 Canadian Economics Association, Calgary (accepted)
2011 Canadian Economics Association, Ottawa
2011 European Economics Association Meetings, Oslo
2011 Global Economics Cost of Conflict, DIW Berlin

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Peer Effects in the Classroom: Evidence from New Peers (Job Market Paper)

Peer effects in education are of interest to parents, policy-makers, and researchers alike. However, there are serious obstacles to estimating these effects, generally defined as selection, endogeneity and reflection problems. In this paper I assemble a rich longitudinal data set of individual-level test scores and introduce an empirical strategy to circumvent these obstacles and estimate the extent and structure of ability spillovers among elementary students in the same classroom. My identification strategy is based on the impact of new students to a school, who can plausibly be viewed as randomly assigned to a class *within* their new school. I implement this strategy by using the new students' lagged test score (from Grade 3 in their previous school) as an instrument for the average "quality" of the peers in their new Grade 6 class, as measured by the average class performance. I simultaneously account for the potentially endogenous selection of students into schools, and school-specific time trends, by incorporating school-by-year fixed effects. Using the administrative test scores data for three cohorts of Ontario elementary students (observed in Grades 3 and 6 for three subjects – mathematics, reading and writing), I find positive and statistically significant peer effects – a one standard deviation in classmates' average test score leads to 0.25 standard deviation increase in the individual test score. However, the effect is not linear. I find heterogeneous effect of classmate average ability that varies with a student's individual ability measured by past achievement. While the magnitude of the estimates differs across three school subjects, the structure of the effects is the same. High achievers seem to be immune to the ability composition of the classroom, while low achievers benefit both from "good" peers and those of the same achievement level. This finding contributes to the debate of the efficient distribution of students across classrooms and schools and provides evidence of the benefit of mixed, as opposed to ability-streamed classrooms in elementary education. I then show that the impact of grade-level peers is less important than the impact of immediate classmates by contrasting school and classroom-level estimates. This helps to explain why researchers estimate smaller peer effects at the grade or cohort-level, as oppose to the classroom level. I also discuss why estimates from elementary school may differ from high school, most notably that it is classroom peers who matter at the elementary level: students spend much more time with their classmates.

Quantifying the Microeconomic Effects of War: How Much Can Panel Data Help?

with Eik L. Swee

The extensive coverage of household surveys in conflict regions in recent decades has fueled a growing literature on the microeconomic effects of war. Many researchers identify these effects by exploiting variation across birth cohorts and war intensity. While it is well-known that endogenous war intensity can in principle be addressed in cross-sectional settings, biases that are associated with self-selection due to non-random displacement may still arise. In this paper, we draw on a unique set of cross-sectional and panel data from Nepal, and demonstrate how unobserved locality factors and individual heterogeneity lead to huge swings in the estimates of war intensity effects. We show that the direction and magnitude of these biases in the Nepalese context are quantitatively substantial and discuss how they might affect the estimates of war. We show that the conventional difference-in-difference estimates might not address the migration during the time of war and displacement patterns and suggest a novel approach which incorporates individual fixed effects to account for the unobserved heterogeneity. We find no effect of war on attained years of schooling and grade-for-age z-score when we account for potential selection out

of the high intensity regions. We understand that the methodology suggested in this paper can only be extended to cases when the panel data for war-affected regions are available.

Caste, Gender and School Enrollment: Evidence Of Peer Effects from Nepal

This paper explores the role of community effects - ethnic composition of the community and aggregate level of village development - on the probability of school enrollment among the low caste girls in rural Nepal. Using data from the Nepalese Living Standards Surveys 1996 and 2004 and employing difference-in-difference framework, I find that girls from the underprivileged groups (low castes) who live in the villages with the high proportion of upper castes households are more likely to be enrolled in school, thus implying the presence of positive externalities. This finding is at odds with the almost uniform agreement about the negative impact ethnic heterogeneity has on the provision of public goods and performance of the members of underprivileged groups within heterogeneous communities. A number of potential channels through which this positive effect might operate are analyzed: improvements in the school and village infrastructure, increased labor market opportunities through expansion of tourism industry, and peers effects. The empirical findings suggest that the prevalence of the high caste households in the community, along with the overall village development and infrastructure, plays an important role in improving school participation and progression among the most vulnerable group of children - girls from the low caste households.

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Research Interests Macroeconomics
Labor Economics
International Economics

Teaching Interests *Graduate:* Macroeconomics, Computational Methods
Undergraduate: Macro, Micro, Econometrics, Labor, International

Education

2013 expected PhD, Economics, University of Toronto (2006-)

Dissertation: Human Capital and Occupational Mobility
Committee: Diego Restuccia (supervisor), Gueorgui Kambourov, Shouyong Shi

2006 MA, Economics, McGill University (2004-2006)

1999 BA, Accounting, Wuhan University, China (1995-1999)

Awards

Edward B. Kernaghan Fellowship, 2011

University of Toronto Doctoral Thesis Completion Grant, 2011

University of Toronto Graduate Fellowship, 2006–2010

Canada Social Sciences and Humanities Research Council Graduate Scholarship, 2005

Best Thesis Award at Bank of Communications' Youth Forum (China), 2002

Management School Fellowship (Wuhan University, China), 1997

Wuhan University Undergraduate Fellowship (China), 1996

Research Papers

A Directed Search Model of Occupational Mobility (job market paper)

The U.S. Occupational Mobility from 1988 to 2003: Evidence from SIPP

General Occupational Tenure and Its Returns (in progress)

Emerging Market Economies' Choice of Monetary Instrument: Evidence from China and India
(MA graduation paper)

Conference Presentations

“A Directed Search Model of Occupational Mobility”

Canadian Economic Association 46th Annual Conference (Calgary, June 2012)

Rimini Conference in Economics & Finance 2012 (Toronto, August 2012)

Professional Experience

2006-2012: Teaching Assistant, University of Toronto

- Introductory Economics
- Macroeconomic Theory and Policy
- Macroeconomic Theory
- Advanced Economic Theory – Macroeconomics
- International Monetary Economics
- International Economic Institutions and Policy
- Personnel Economics
- History of Economic Thought
- Macroeconomic Theory (Graduate)
- International Financial Markets (Graduate)
- Applied Econometrics for Managers (Graduate)

2009-2012: Research Assistant, University of Toronto

- Professor Gueorgui Kambourov (with Andres Erosa and Luisa Fuster), “Towards a Micro-Founded Theory of Aggregate Labor Supply”, compiling data
- Professor Gueorgui Kambourov (with Andres Erosa and Luisa Fuster), “Household Risk and Insurance over the Life Cycle”, compiling data

1999-2003: Analyst, Section Chief, Bank of Communications (China)

- Research on managerial restructuring and banking industry competition at the Research and Development Department, Qingdao Headquarters

Programming Expertise

Fortran; Matlab; Stata

Data Experience

Survey of Income and Program Participation (SIPP)

References

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Dissertation Abstract

A Directed Search Model of Occupational Mobility (Job Market Paper)

There has been considerable interest in the patterns of occupational mobility and their effect on various economic issues. In this paper, I utilize the unique interview structure of the longitudinal SIPP to uncover additional interesting facts on occupational mobility. I find that occupational behavior exhibits strong persistence not only among employed workers but also among non-employed workers; occupational switchers do not always switch to an occupation similar to their previous one; and the average length of transition duration workers spend before taking a new stable job varies with their previous occupation. Motivated by these facts I build a directed search model of occupational mobility, which includes both aggregate and idiosyncratic shocks, and features occupational human capital as well as search frictions. The model can account for the bulk (around 70%) of the patterns in the data and can match reasonably well the emphasized facts. The model is used to study (i) the importance of idiosyncratic vs. aggregate shocks, and (ii) the barriers to occupational mobility. I find that idiosyncratic shocks are the main determinant of occupational mobility whereas aggregate shocks are unimportant. Further, fixed mobility costs and search frictions constitute significant barriers to mobility while the transfer loss of occupational human capital is only of modest importance quantitatively.

The U.S. Occupational Mobility from 1988 to 2003: Evidence from SIPP

This paper uses SIPP, an underutilized data set to analyze the occupational mobility in the U.S. from 1988 to 2003. Exploiting SIPP's detailed information on workers' occupation, I propose and calculate various extended versions of occupational mobility rate, with careful treatment of coding errors. Unlike works that treat occupational mobility homogeneously, I classify all occupational switches into three categories: horizontal, vertical and special. Numerous mobility rates are computed according to different definitions, categories and time intervals. I find that horizontal switches dominate vertical and special switches at all times, and that the mobility level and trend are generally consistent with other empirical works. I also examine the interaction between occupational mobility and labor market status, taking advantage of SIPP's high interview frequency. I develop an algorithm to extract non-employment information between jobs from SIPP. I find that most 3-digit occupational switchers do not experience non-employment between jobs, very similar to job changers without involving an occupational switch. As time goes by, this employment-to-employment mobility fraction is declining for both groups.

General Occupational Tenure and Its Returns (in Progress)

Occupational human capital, measured by occupational tenure, and its returns are well studied in Roy-type models, where all occupations are deemed as uniformly distinctive. This paper follows another strand of literature and takes a task approach to examine the “distance” (similarity) across occupations. Occupational tenure is thus partially transferable, depending on the distance between the source and target occupations, and is therefore “general” as well as specific. Unlike papers that apply standard task approach, this paper does not investigate returns to different tasks in each occupation. Instead, I estimate returns to the general occupational tenure for every occupation, or a weighted average of task returns in each occupation, avoiding imposing heavy structural restrictions on task returns. SIPP data and the Dictionary of Occupational Titles (DOT) information are used to perform estimations on quadratic returns to 1-, 2-, and 3-digit general occupational tenure, under various transfer-function assumptions. I find that the intercept component dominates the linear and second-order components in all cases, and that for convex transfer-functions a clear tradeoff exists between intercept component and the rest for an occupational switcher.