The debt relief households obtain in bankruptcy provides insurance against wealth losses, but also distorts borrower incentives to repay debt, discouraging lending. Understanding how bankruptcy filings respond to changes in cash-flows and "strategically" to relief generosity is important for assessing these trade-offs. This paper presents new evidence on the causes of bankruptcy using data on millions of mortgage borrowers. First, I exploit a kink in debt relief generosity induced by asset exemption laws in a regression kink design (RKD) to estimate a small, positive effect of an increase in generosity on filing. Second, I exploit quasi-experimental variation in mortgage payment reductions to estimate a large negative effect of an increase in cash-flows on filing. The RKD isolates the strategic motive by holding wealth fixed and varying the payoff from filing while the payment reductions affect filing by increasing cash-flows that are not generally seizable in bankruptcy. Using a simple model of household bankruptcy, I show that the relatively weak strategic motive implies that consumption gains to filers must be large but that other costs of bankruptcy, such as social stigma or from credit market exclusion, must also be large. My findings are consistent with a lack of insurance against cash-flow shocks driving bankruptcy and imply that increases in the generosity of bankruptcy only weakly incentivize further filing.
WORKING PAPERS

Financial Crises and the Transmission of Monetary Policy to Consumer Credit Markets (link)

This paper explores one channel through which financial crises can alter the strength of the credit channel of monetary policy. Analyzing microdata on the universe of US credit unions and exploiting plausibly exogenous variation in exposure to ABS markets, I find that asset losses among lenders increase the sensitivity of their lending to the policy rate. A 10 basis point fall in the two-year Treasury yield generates a 0.86 percentage point increase in quarterly lending growth when assets are unchanged. However, the same policy rate change leads to a 1.15 percentage point increase for a credit union experiencing a one standard deviation asset loss. This is a more than 20% difference relative to median lending growth. Additionally, a 10 basis point policy rate reduction lowers the effect of a one standard deviation asset loss from a 3.20 to 2.91 percentage point decrease in lending growth. These findings suggest that monetary easing is more potent among lenders with recently weakened balance sheets and there exists an additional benefit of monetary easing which reduces the contractionary effect of asset losses.

Bad News Bankers: Underwriter Reputation and Contagion in Pre-1914 Sovereign Debt Markets (link)

This paper uses new data on the timing of sovereign defaults during 1869-1914 to quantify an informational channel of contagion via shared financial intermediaries. Concerns over reputation incentivized Britain’s merchant banks to monitor, advise, and occasionally bail out sovereigns. Default signaled to investors that a merchant bank was not as willing or able to write and support quality issues, suggesting that its other bonds may underperform in the future. In support of this channel, I find that during a debt crisis, a 5% fall in the defaulting bond’s price leads to a 2.19% fall in prices of bonds sharing the defaulter’s bank. This is substantial compared to the 0.24% price drop among bonds with different banks. Information revelation about financial intermediaries can be a powerful source of contagion unrelated to a borrower’s fundamentals. In modern financial markets, third parties such as credit rating agencies, the IMF, or the ECB could similarly spread contagion if news about their actions reveals information about their willingness to monitor risky borrowers or intervene in crises.

WORK IN PROGRESS

Rural-Urban Income Inequality: The Role of Gender Norms (with Paul Mohnen)

FELLOWSHIPS & AWARDS

Macro Financial Modeling Initiative Dissertation Fellowship, Becker Friedman Institute 2017

Susan Schmidt Bies Prize for Doctoral Student Research on Economics and Public Policy, Northwestern University

Bad News Bankers: Underwriter Reputation and Contagion in Pre-1914 Sovereign Debt Markets

First-Year Doctoral Studies Fellowship, Northwestern University 2013

First Place Term Paper, Minnesota Economic Association Student Paper Contest 2013

Mutually Reinforcing Debt and Financial Crises in Spain and Ireland: A VAR Approach

Outstanding Paper, Twelfth Annual Carroll Round, Georgetown University 2013

Financial and Sovereign Debt Crises in Spain: Fiscal Limits and Spillovers (senior thesis)

Robert L. Bunting Prize in Economics, Macalester College 2013

Awarded to an outstanding senior studying economics
John M. Dozier Prize, Macalester College 2012
For demonstrated academic competence in economics

Research Poster Award, Joint Mathematics Meetings 2011
Estimating Survival Functions for Symmetric Distributions under Peakedness Order Constraints

Research Poster Award, Society for the Advancement of Chicanos and Native Americans in Science 2010
Estimating Survival Functions for Symmetric Distributions under Peakedness Order Constraints

IBM Scholarship, Macalester College 2010
For outstanding mathematics students with financial need

Lowell Thomas Endowed Prize for Public Speaking, Macalester College 2010
For significant contributions while representing Macalester in intercollegiate debate

DeWitt Wallace Scholarship, Macalester College 2009
For exceptional students with financial need

Bob Kommerstad Scholarship, South High Foundation 2009
For promising students intending to major in economics

RESEARCH EXPERIENCE
Northwestern University

Federal Reserve Bank of Chicago, Associate Economist

Worcester Polytechnic Institute Research Experience for Undergraduates
Member of research team directed by Prof. Zheyang Wu  May 2011 – Aug. 2011

Rice University Summer Institute of Statistics
Member of research team directed by Prof. Javier Rojo  May 2010 – Jun. 2010

TEACHING EXPERIENCE
ECON 201: Introduction to Macroeconomics (Profs. Mark Witte and Guido Lorenzoni)
ECON 362: International Finance (Prof. Luigi Bocola)

Macalester College, Preceptor (Teaching Assistant)  Sep. 2010 – May 2013
ECON 420: Quantitative Macroeconomic Analysis
ECON 371: Intermediate Macroeconomic Analysis
ECON 242: Economics of Gender
ECON 119: Principles of Economics
MATH 137: Single Variable Calculus
MATH 155: Introduction to Statistical Modeling
Macalester College Academic Excellence Center, Tutor  
Areas: economics, statistics, mathematics, computer science  
Certifications: College Reading and Learning Association, level one  
Sep. 2010 – May 2012

CONFERENCES AND INVITED SEMINARS
2018: Macro Financial Modeling Winter Meeting (Becker Friedman Institute, poster presentation)
2017: Society for Economic Dynamics Meeting, CITE Conference (Becker Friedman Institute, poster presentation)
2016: Fall Midwest Macro Meeting (Federal Reserve Bank of Kansas City), Economics Graduate Students Conference (Washington University in St. Louis), Empirics and Methods in Economics Conference, Macalester College, Becker Friedman Institute’s Macro Financial Modeling Summer Session for Young Scholars

INVITED WORKSHOPS
2018: The Becker Friedman Institute’s Macro Financial Modeling Summer Session for Young Scholars
2016: The Becker Friedman Institute’s Macro Financial Modeling Summer Session for Young Scholars
2015: Princeton Initiative: Macro, Money and Finance

ACADMIC AND PROFESSIONAL ASSOCIATIONS
Organizer of Northwestern’s Macroeconomics Reading Group 2014-2016
Phi Beta Kappa Honors Society (inducted 2013)
Omicron Delta Epsilon International Economics Honors Society (inducted 2013)

SKILLS
Programming: R, Python, Stata, MATLAB (including Dynare), SQL, Mathematica, and SAS
Languages: French (proficient), Modern Standard Arabic (beginner), Spanish (beginner)

REFERENCES
Professor Matthew J. Notowidigdo (co-chair)  
Department of Economics  
Northwestern University  
Email: noto@northwestern.edu  
Phone: 847-491-8230

Professor Martin Eichenbaum (co-chair)  
Department of Economics  
Northwestern University  
Email: eich@northwestern.edu  
Phone: 847-491-8232

Professor John Mondragon  
Department of Finance  
Kellogg School of Management  
Email: john.mondragon@kellogg.northwestern.edu  
Phone: 510-684-3264

Professor David Berger  
Department of Economics  
Northwestern University  
Email: david.berger@northwestern.edu  
Phone: 847-491-8234