

Alberto Pavia

+3216327027 | @ alberto.paviasoto@kuleuven.be | LinkedIn | Contact Page | Leuven, Belgium

OFFICE ADDRESS

Department of Economics, Leuven
Naamsestraat 69 - box 3565
3000 Leuven, Belgium
Room: 02.163

RESEARCH INTERESTS

Macroeconomics, International Macroeconomics

EDUCATION

KU Leuven Leuven, Belgium
PhD Candidate in Economics Sept 2022 – Present

KU Leuven Leuven, Belgium
Master of Advanced Studies in Economics (Research Master); Cum Laude Sept 2021 – Sept 2022

- **Thesis:** Bargaining with a state: sovereign default with government reputation.

KU Leuven Leuven, Belgium
M.Sc of Economics; Cum Laude Sept 2020 – Sept 2021

- **Thesis:** ECB or Bundesbank-plus? An evaluation of the ECB's monetary policy framework.

University of Amsterdam Amsterdam, the Netherlands
B.Sc Economics and Business Economics Sept 2017 – Jun 2020

- **Thesis:** What's up with the Phillips Curve? A study of the missing disinflation in the Eurozone during the Great Recession.

VU University Amsterdam Amsterdam, the Netherlands
Specialization: Applied Econometrics: A Big Data Experience for all Sept 2019 – Feb 2020

Professional Conservatory of Music Eliseo Pinedo Logroño, Spain
Classical Saxophone 2010 – 2016

RESEARCH EXPERIENCE

Department of Economics, KU Leuven Leuven, Belgium
PhD Candidate. Supervisor: prof. Christian Proebsting Sept 2022 – Present

Department of Economics, KU Leuven Leuven, Belgium
Research Assistant. Supervisor: prof. Iris Kesternich Sept 2021 – June 2022

WORKING PAPERS

The Role of Risk-Sharing in Attenuating Business Cycles Within Currency Unions

(with Christian Proebsting)

- How does risk-sharing across member states of a currency union reduce the volatility of consumption? We decompose the benefits from risk sharing into a direct effect that measures the response of consumption to state-specific income fluctuations, and an indirect effect that captures the response of income to the underlying shock. Crucially, the indirect benefits of risk sharing reinforce the direct benefits as higher risk sharing does not only smooth consumption for a given volatility of income, but also reduces the volatility of income. We estimate both the direct and indirect effects by exploiting regional variation in military buildups across U.S. states. About half of state-specific income fluctuations are smoothed out and a \$1 increase in external demand raises state-level income by \$1.5. Calibrating a DSGE model of a small open economy to match these empirical findings we show that the observed level of risk sharing between U.S. states cuts state-level consumption volatility by a factor of 4, with half of the reduction being due to indirect, general equilibrium effects.

Regional Business Cycles and their Impact on Aggregate Fluctuations

- Economic fluctuations are a recurring problem for economists and policymakers. Still, our understanding of the sources driving these economic fluctuations remains incomplete. Traditionally, business cycles are studied at the national level. But recently, the literature has pointed out strong regional disparities over the business cycle, putting forward the hypothesis that a large share of the national economic fluctuations we observe at the national level might originate at the regional level and propagate through the network structure of the economy. My research studies this hypothesis by exploiting novel granular data and state-of-the-art macro models. It proceeds in three steps: First, I construct a dataset of regional business cycle indicators and compare their statistical properties to those found at the national level. Second, I study how regions respond to a specific driver of business cycles: sudden changes in global demand for their products. Third, informed by my empirical estimates I set up a multi-region, currency union model to aggregate my regional estimates and quantify the share of aggregate fluctuations that is driven by regional fluctuations. The model is then used to derive policy implications for both the United States and Europe.

TEACHING ASSISTANCE

Advanced Topics in Macroeconomics & Policy (Graduate level)

Macroeconomics (Undergraduate level)

Master thesis supervision (Graduate level)

FELLOWSHIPS AND AWARDS

Research Foundation Flanders (FWO)

PhD Fellowship Fundamental Research

2024 – 2028

Euro Area Business Cycle Network (EABCN)

Training school tuition waiver

2024

Department of Economics, KU Leuven

Grant for participation in a conference abroad

2024

Department of Economics, KU Leuven

PhD Scholarship

2022 – 2026

CONFERENCES AND PRESENTATIONS

2024: KU Leuven macro seminar (Leuven, Belgium), 13th PhD Student Conference in International Macroeconomics (Paris, France), Ghent University Workshop on Empirical Macroeconomics (Ghent, Belgium; poster), International Association of Applied Econometrics (IAAE) 2024 (Thessaloniki, Greece), RES PhD Conference 2024 (Portsmouth, UK)

2023: KU Leuven macro seminar (Leuven, Belgium)

TRAININGS/PHD COURSES/SUMMER SCHOOLS

2024: Quantum Computing for Economists by prof. Eric Ghysels (UNC)

2024: Design-based Inference by prof. Peter Hull (Brown)

2024: EABCN summer school on Empirical Methods for Business-cycle Analysis by prof. Christian Wolf (MIT)

2024: Difference-in-Differences methods by prof. Xavier D'Haultfoeuille (CREST)

2023: Firm Heterogeneity in Macroeconomics by prof. Basile Grassi (Bocconi)

2023: Shift-Share instrumental variables by prof. Peter Hull (Brown)

2023: Advanced topics in Applied Macroeconomics by prof. Fabio Canova (BI Norwegian Business School)

2023: Fiscal and Monetary Policy with Heterogeneous Agents by prof. Adrien Auclert (Stanford)

2022: Bayesian VAR methods by prof. Haroon Mumtaz (Queen Mary University of London)

SKILLS

Programming: Stata, Matlab, Python, (R), (Julia), (EViews)

Technologies: Git, L^AT_EX

Languages: Spanish (Native), English (Professional), Dutch (Professional), Catalan (Intermediate), French (Elementary)

RELEVANT COURSEWORK

Advanced Macroeconomics I, Advanced Macroeconomics II, Advanced Topics in Macroeconomics & Policy, Advanced Macroeconomics II: Heterogeneous Agents, Dynamics and Policy (UCLouvain), Advanced Econometrics, Advanced Applied Econometrics, Advanced Time Series Analysis.

REFERENCES

Christian Proebsting (Supervisor), KU Leuven, christian.probsting@kuleuven.be

Michal Kobielarz, KU Leuven, michal.kobielarz@kuleuven.be

Ferre De Graeve, KU Leuven, ferre.degraeve@kuleuven.be

PERSONAL

Born on October 4th, 1999.

Nationality: Spanish.

Updated: December 8, 2024