

Lucas Finamor

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Citizenship: Brazilian, Italian, (J1 Visa— not subject to the home-country presence requirement)

Fields of Concentration:

Primary Fields: Labor Economics, Public Economics
Secondary Fields: Development Economics, Economics of Education

Desired Teaching:

Labor Economics, Public Economics, Applied Econometrics, Microeconomics

Comprehensive Examinations Completed:

2019 (Oral): Labor Economics, Public Finance (*with distinction*)
2018 (Written): Microeconomics and Macroeconomics

Dissertation Title: *Essays in Labor Economics*

Committee:

Professor Costas Meghir (Chair)
Professor Joseph Altonji
Professor Cormac O’Dea

Degrees:

Ph.D., Economics, Yale University, 2023 (expected)
M.Phil., Economics, Yale University, 2020
M.A., Economics, Yale University, 2019
M.A., Economics, Sao Paulo School of Economics (FGV EESP), 2017
B.A., Economics, University of Sao Paulo (FEA USP), 2014

Fellowships, Honors and Awards:

Arvid Anderson Fellow, Cowles Foundation, 2021–2022
Doctoral Fellowship, Yale University, 2017–2023
Nominated by the Brazilian Academy of Sciences to the 6th Lindau Meeting on Economics
FGV/EESP Graduate Fellowship, 2015–2017

CNPQ Graduate Fellowship, 2015–2017
CORECON Award (undergrad with the highest GPA), 2014
Luiz de Freitas Bueno Award (undergrad with the highest GPA), 2014
FAPESP undergraduate fellowship, 2011–2012

Teaching Experience:

Yale College, Undergraduate

Spring 2020, Teaching Assistant to Prof. Cormac O’Dea, Introduction to Microeconomics
Fall 2019, Teaching Assistant to Prof. Costas Meghir, Intermediate Data Analysis and Econometrics

Sao Paulo School of Economics (FGV EESP), Graduate

Spring 2017, Teaching Assistant to Prof. Priscilla Tavares, Microeconometrics
Fall 2016, Teaching Assistant to Prof. André Portela and Prof. Bruno Ferman, Microeconometrics
Spring 2016, Teaching Assistant to Prof. Priscilla Tavares, Microeconometrics

Sao Paulo School of Economics (FGV EESP), Undergraduate

Spring 2017, Teaching Assistant to Prof. Cristine Pinto, Econometrics III
Spring 2017, Teaching Assistant to Prof. Cristine Pinto, Econometrics I
Spring 2016, Teaching Assistant to Prof. Cristine Pinto, Econometrics III

Mentoring Experience:

Co-Director, Herb Scarf Summer Research Opportunities in Economics, 2020–2021

Research and Work Experience:

Research Assistant to Prof. Cormac O’Dea, Yale University, 2019, 2021
Consultant at The World Bank Group – Poverty and Equity Global Practices, (summer) 2017, 2018
Research Assistant to Prof. Bruno Ferman, and Prof. Cristine Pinto, 2015–2016
Research Assistant to Prof. André Portela, 2015–2016

Publications:

“Labor Market Trends and Unemployment Insurance Generosity During the Pandemic” (2021), with Dana Scott, *Economics Letters*, 199C, 109722.

Working Papers:

“Labor Market Informality, Risk, and Public Insurance” (October 2022), *Job Market Paper*

“Labor Market Conditions and College Graduation ” (August 2022), *Revise and Resubmit at the Economics of Education Review*

“Are Public Schools in Developing Countries Ready to Integrate EdTech into Regular Instruction?”, with Bruno Ferman and Lycia Lima (March 2022), *Revise and Resubmit at the Economics of Education Review*

“School closures and educational path: how the Covid-19 pandemic affected transitions to college”, with Fernanda Estevan, (September 2022), *Submitted*

“Women, Fertility, and Informality”, with Boryana Illieva and Marianne Bernatzky, (March 2021)

Work In Progress:

“There must be an error here! Experimental evidence on coding errors’ biases” with Bruno Ferman. AEA RCT Registry 0008312

Policy Reports:

“The effects of the Coronavirus on hours of work of small business”, with Joseph Altonji, Zara Contractor, Ryan Hyangood, Ilse Lindenlaub, Costas Meghir, Cormac O’Dea, Dana Scott, Liana Wang, and Ebonya Washington (June 2020), *Tobin Center for Economic Policy—Yale University*

“Employment effects of unemployment insurance generosity during the pandemic”, with Joseph Altonji, Zara Contractor, Ryan Hyangood, Ilse Lindenlaub, Costas Meghir, Cormac O’Dea, Dana Scott, Liana Wang, and Ebonya Washington (July 2020), *Tobin Center for Economic Policy—Yale University*

Seminar and Conference Presentations:

EEA-ESEM 2022, Milan, Italy
VIII CAEN-EPGE Meeting 2017, Fortaleza, Brazil
44th ANPEC National Meeting 2016, Foz do Iguacu, Brazil

Referee Service:

American Economic Review: Insights, Economics Letters, Fiscal Studies, Contemporary Economic Policy, Applied Economics Letters, Revista Brasileira de Economia

Languages:

Portuguese (native), English (fluent), Italian (intermediate)

References:

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Dissertation Abstract

Labor Market Informality, Risk, and Public Insurance, *Job Market Paper*

Social insurance programs are designed to protect individuals from shocks to income and employment. These programs are typically based on beneficiaries' labor market status and history. Nevertheless, in many developing countries, informal workers, whose income and employment status cannot be verified, have limited access to social insurance, exposing them to risk. Governments face a tradeoff between providing and properly targeting social programs and achieving sustainable programs. This paper investigates how individuals make employment decisions in the presence of informality, risk, and social insurance, which is central to public policy design in developing countries.

I focus on Chile, where around 30% of the labor force is informal. I first estimate the causal effects of a reform that tightened the restrictions for early retirement. Exploring how the reform affected different cohorts differently, I estimate that individuals facing the more stringent requirements are 15 percentage points less likely to retire. However, this reduction in retirement does not translate to higher pension contributions – the probability of contributing to pensions only rises by less than half of the increase in labor force participation.

I then develop a life cycle model where agents decide on savings and employment when facing employment risk, earnings volatility, and longevity risk. Savings are important as a source of self-insurance that can mitigate the impact of shocks. The employment decision, in terms of a formal or informal job, is tied to access to public insurance through unemployment insurance and pensions. By incorporating risk and insurance, I am able to investigate how the interaction between different insurance programs shapes the formality decision. The model features detailed characteristics of the informal sector, which is comprised of both informal workers and the self-employed. Self-employment entails more flexibility in the work schedule and other amenities. Agents must invest in physical capital to be self-employed, providing an additional role for individual savings in the presence of borrowing constraints.

I estimate the model with a rich set of microdata from Chile, which combines a long labor market panel survey, disaggregated wealth information, and pension administrative data. This unique dataset contains the essential ingredients that enable this analysis. The model estimation also benefits from the quasi-experimental estimates of the causal effect of the pension reform.

My findings show how important it is to allow job search to depend on savings – individuals have different reservation wages depending on their liquid assets. This is the key mechanism through which the model generates the cross-section correlation of poverty and informality observed in the data. Credit market imperfections, physical capital requirements for self-employment, and amenities are additional important factors in explaining the life-cycle trends in informality. When exploring several counterfactual policies, I show evidence of complementarities between pensions and unemployment insurance. The marginal employment decisions induced by changes in the

pension system depend positively on the exposure to short-term employment risk and eligibility for unemployment insurance.

Labor market conditions and college graduation

College students graduating in a recession have been shown to face large and persistent negative effects on their earnings, health, and other outcomes. This paper investigates whether students delay graduation to avoid these effects. Using data on the universe of students in higher education in Brazil and leveraging variation in labor market conditions across time, space, and chosen majors, I find that students in public institutions delay graduation to avoid entering depressed labor markets. The delaying effect is larger for students with higher scores, in higher-earnings majors, and from more advantaged backgrounds. This has important implications for the distributional impact of recessions.

Labor market trends and unemployment insurance generosity during the pandemic, with Dana Scott, *Economics Letters*, 2021.

We test whether changes in unemployment insurance (UI) benefit generosity under the CARES Act in the US are associated with differential employment outcomes under the distinct conditions of the pandemic. While we observe a negative association between UI generosity and employment, we show that the relative employment gap arises before the Act was instituted, decreases in magnitude when the augmented benefits were in place, and does not change when the benefits expansion expires.

Women, Fertility, and Informality, with Marianne Bernatzky and Boryana Illieva

A large literature documents differences in women's and men's labor market outcomes, particularly after childbirth. In this paper, we investigate how these choices differ in a context with widespread informality. We analyze labor market and insurance choices by exploring an event study analysis around the birth of the first child, using data from a longitudinal survey in Chile. We document that women are more likely to work as self-employed after the first child's birth. This effect is larger for highly educated women, who are also more likely to report working remotely with no differences in work hours. In contrast, women with less education reduce their supplied hours. These switches are associated with less cognitive-intensive occupations, which may explain the observed fall in wages. Finally, we explore the effects of the 2008 Chilean pension system reform on formal work decisions. We observe that women who had children after 2008 are less likely to leave formal employment compared to women who had children before the reform was implemented.