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DESIRED RESEARCH AND TEACHING FIELDS:

PRIMARY
Development Economics

SECONDARY
Behavioral Economics
Personnel Economics

DISSERTATION TITLE: "Essays in Development and Behavioral Economics"

Date of Completion: May 2023
Principal Advisor: Professors Supreet Kaur and Edward Miguel
Other References: Professors Ulrike Malmendier and Gautam Rao

CURRENT POSITION:

Post-Doctoral Fellow, Haas School of Business
Supervisor: Prof. Malmendier

PRE-DOCTORAL STUDIES:

	DEGREE	DATE	FIELD
Bocconi University 110/110 cum laude	M.Sc.	2016	Economics and Social Sciences
Bocconi University 110/110 cum laude	B.Sc.	2013	Economics and Social Sciences

JOB MARKET PAPER

The Economic Consequences of Knowledge Hoarding (with Franck Irakoze, Pedro Naso, Nicholas Swanson)

Abstract: Strong social ties can promote wide social learning of new technologies, but what happens when this diffusion decreases the incumbents' returns? We examine how social ties can affect the diffusion of productive agricultural technologies in Burundian villages. We first document rapid social learning of technologies whose returns are non-rival (such as modern compost production) but limited diffusion of row planting, a technology that boosts crop yields but also grants a wage premium in the labor market. We use two field experiments in 220 villages to test the hypothesis that this heterogeneous diffusion is driven by incumbents' incentives to "hoard knowledge" when limiting diffusion generates some rents. Workers skilled at row planting are encouraged to train unskilled workers. We randomize at the village level (the relevant labor market) i) whether the unskilled workers come from the same village as the skilled workers--thereby competing directly in the same labor market--or from another village, and ii) whether the training is in row planting or in composting--which is unlikely to affect market prices. In the paper's main finding, skilled workers are 40 p.p. less likely to share row planting knowledge with laborers from their own village than with those from a different village, but share composting knowledge equally with both. Broader diffusion of row planting creates winners and losers: the earnings of workers trained by someone from another village rise by 7%, days of unemployment decrease by a third, and farm profitability increase by 20%, but skilled workers' earnings decrease by 6%. The results also indicate that reducing knowledge hoarding boosts overall village output: days of row planting employment are higher by 16%, and the share of fields with row planting increases by 27%--and it reduces equilibrium wage by 3%. We present suggestive evidence that the fear of social sanctions is a mechanism that sustains knowledge hoarding within groups.

WORKING PAPERS:

Under-training by Employers in Informal Labor Markets: Evidence from Burundi (with Pedro Naso, Michel Ndayikeza, Nicholas Swanson)

Abstract: Most economic exchange in LMICs relies on informal contracts. While relational contracts can sustain exchange, such agreements do not always emerge and may not facilitate efficient levels of economic activity. We explore whether a reliance on informal agreements limits agricultural employers' willingness to make training investments in casual laborers because they cannot appropriate the returns from training. We investigate this question in Burundi, where employers can train workers in a newly introduced agricultural practice in the region, row-planting---a technique that substantially raises yields. In a first field experiment, in some randomly selected local agricultural markets (villages), we induce 1/3 of employers to train workers in row planting--leading to a 20-percentage point increase in the share of skilled workers in the village. Training generates meaningful economic returns: employers in treated villages increase their adoption of row-planting by 10 percentage points (20%)--raising farm profitability by 9%. However, employers fail to appropriate most of this surplus: 2/3 of the surplus generated is captured by non-training employers because many of the trained workers work for others following training. In a second experiment, we randomize employers into a condition that increases the likelihood that the worker will return to work for the employer in the future. Employers receiving this guarantee are 50 percentage points more likely to train the worker.

Presented: Harvard/MIT, USC, Duke University, World Bank DIME, Oxford University, IIES, NBER SI, BREAD, IZA-CREST, AFE, NEUDC

Habit Formation in Labor Supply (with Supreet Kaur, Heather Schofield, Yogita Shamdassani)

Abstract: Economists have long hypothesized the presence of hysteresis in labor supply: transitory labor market shocks may have persistent effects. We examine hysteresis through the lens of habit formation. We undertake a field experiment with casual urban laborers in Chennai, India, where attendance at labor stands provides a revealed preference measure of labor supply. We randomly provide some workers with small financial incentives for attendance over 2 months, leading to a 22% increase in labor supply. We test for habit formation by examining subsequent impacts after the incentives are removed. First, we see a persistent 15% increase in labor supply over the next 2-5 months, resulting in an 11% increase in employment. Second, treated workers exhibit a higher willingness to accept work contracts that are of longer duration and less flexible. They also self-report an increase in automaticity and self-identity around work--suggesting a change in preferences. Third, shocks that temporarily pull workers out of the labor market lead subsequent treatment effects to collapse to zero; in the absence of these shocks, we cannot reject that there is no decay in effects over time. Fourth, in incentivized measures, employers accurately predict treatment effects, and prefer hiring workers who have been treated with a stronger habit stock in the past--findings that have relevance for understanding duration dependence. Finally, in supplementary data from other settings, we replicate short-run persistent effects of transitory labor supply shocks--indicating the broader generalizability of hysteresis in labor supply. Together, our results suggest that the intermittent nature of employment and frequent shocks experienced in low-income settings may inhibit workers from becoming habituated to regular work--with potential implications for absenteeism and labor supply levels.

Presented: Yale, NYU, Princeton, University of Michigan, PSE, University of Bordeaux, IGC-EGC, BCFG, SITE, CEPR, AFE, NEUDC

How Do Workers Use Earned Wage Access? Evidence and Welfare Implications (with Eric Koepeke, Afras Sial, Nicholas Swanson)

Abstract: Earned Wage Access (EWA)—a financial technology that gives workers access to their wages as they are earned, rather than having to wait until payday—can benefit workers by providing cheap, short-term liquidity. However, when workers have self-control problems or biased beliefs, particularly about their future earnings and liquidity shocks, they may use this technology suboptimally, resulting in overconsumption. We partner with an EWA fintech firm to quantify these trade-offs using administrative data on earnings and EWA usage, in conjunction with a survey experiment. We find that workers systematically over-predict their future earnings, under-predict their future EWA usage, demand incentives to reduce their EWA usage, and are unable to predict future wage shocks. Using quasi-experimental variation in these wage shocks, we document that workers significantly increase their EWA usage in response to positive wage shocks in both their most recent paycheck and their next paycheck, which determines the amount they can withdraw. Using changes in withdrawal fees, we find patterns consistent with partial sophistication about self-control problems. We organize these facts in a consumption-savings model at the daily level, with workers with biased beliefs and partial awareness of their self-control problems. The estimates from our model imply that EWA increases worker's welfare on net, but that regulations such as fees and withdrawal limits can further enhance welfare.

WORK IN PROGRESS:

Free-Riding and New Products Adoption: Evidence from Burundi (with Grady Killeen and Nicholas Swanson)

The Long-Term Consequences of Childhood Exposure to Trauma (with Hadar Avivi, Ulrike Malmendier and Maor Milgrom)

PROFESSIONAL EXPERIENCE:

RESEARCH:

Research Assistant, Department of Economics, U.C. Berkeley	
Professor Nick Tsivanidis	2020
Professors Stefano della Vigna and David Card	2018 – 2019
Pre-doctoral Fellow, Kellogg School of Business, Northwestern University	2018 – 2017
Professors Paola Sapienza and Paola Giuliano	
Research Assistant, Bocconi University	2015 – 2016
Professors Jérôme Adda and Antonella Trigari	

TEACHING:

Teaching Assistant, Department of Economics, U.C. Berkeley
Microeconomics (2x), Advanced Econometrics

FELLOWSHIPS AND AWARDS:

NBER Pre-Doctoral Fellowship on Behavioral Macroeconomics	2021 – 2023
UC Berkeley Rocca Dissertation Fellowship	2021 – 2023
VisitINPS Fellowship (access to the Italian universe of matched employer-employee data)	2022

GRANTS:

Fundraised \$700,000+
As a PI: Weiss Family Fund, PEDL, SurveyCTO, J-Pal ATAI, Future of Work Initiative, JOI, CEGA
As a junior Co-PI: J-Pal JOI, Weiss Family Fund, STEG, Penn Global

OTHER INFORMATION:

Languages: English, Italian, French
Citizenship: Italian