

Conor Foley

Ph.D. Candidate, Economics

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Education

University of California, Los Angeles

Los Angeles, CA

Ph.D., Economics

Expected 2022

M.A., Economics

2016

Johns Hopkins University

Washington, DC and Baltimore, MD

M.A., International Affairs and International Economics

2012

B.A., International Studies and East Asian Studies

2011

Research Interests

Primary: International Trade, Macroeconomics, Measurement

Secondary: Empirical Industrial Organization, Applied Machine Learning

Working Papers

Flexible Entry/Exit Adjustment for Price Indices (Job Market Paper) ([link](#))

This paper introduces and implements a new method for entry/exit adjustment based on a flexible and tractable demand system with finite choke prices. The dominant method of entry/exit adjustment, based on CES, embeds unrealistic features such as unbounded reservation prices and a single common elasticity parameter. This paper introduces a restricted translog that allows for full flexibility in own-price effects while imposing mild restrictions on cross-price effects. This translog yields an exact entry/exit adjusted price index formula that only requires calibration of one parameter per product, avoiding a curse of dimensionality. Using data on the ready-to-eat cereal market in Nielsen Consumer Panel, I combine a standard cross-market IV with the generalized random forest method of Athey et. al. (2018) allowing for product-specific estimates with no ex-ante restrictions on the cross-section of own-price elasticities. My translog-based method yields two-thirds the gains implied by the standard CES-based approach, reflecting two offsetting influences: translog implies half the gains implied by CES for a given level of the own-price elasticity, but this is offset in my calibration systematically larger gains from entry than losses from exit.

Is heteroskedasticity-identified estimation robust to parameter heterogeneity?

This paper shows that the heteroskedasticity-identified double-difference estimation strategy performs poorly if products with different underlying parameters are improperly grouped together in estimation. I show that, unlike for OLS and linear IV, the double-difference estimator of Feenstra (1994) is not consistent for an “average” parameter value when the data generating process has heterogeneous parameters. Using simulated data, I show that when there is heterogeneity in the underlying parameter(s) the double-difference estimator may behave erratically, yielding point estimates well outside the range of the underlying

product-specific parameters even with a small proportion of incorrectly included observations. In addition, I use the set-identification strategy of Leamer (1981), which imposes strictly weaker than those needed in Feenstra (1994), to calculate product-by-product ranges for the elasticity of substitution in U.S. HS-4 level trade data. In almost all categories, there are products for which the Feenstra (1994) point estimate lies outside the Leamer (1981) bounds for some of the products, suggesting that parameter heterogeneity may be a concern in this data.

Professional Experience

White House Council of Economic Advisers	Washington, DC
Staff Economist	2016-2017
Federal Reserve Board of Governors	Washington, DC
Senior Research Assistant	2012-2014

Teaching

Instructor

Macroeconomic Theory (Econ 102): 2019 (Summer)
 Principles of Microeconomics (Econ 1): 2019 (Winter)

Teaching Assistant

Macroeconomic Theory (Econ 102): 2020 (Winter, Spring), 2019 (Spring, Fall),
 2018 (Spring, Fall)
 Econometrics (Econ 103): 2018 (Winter)
 Theory of Economic Growth (Econ 164): 2017 (Fall)
 Microeconomic Theory (Econ 11): 2015 (Fall)
 Elements of Macroeconomics (Econ 2): 2016 (Winter, Spring)

Awards

Graduate Division Fellowship, UCLA	2015-2020
Outstanding Teaching Award, UCLA Economics	2020

Presentations

SOCAL, Young Economist Symposium (YES)	2021
UCLA Graduate Economics Seminar	2016-2021

References

Ariel Burstein	arielb@econ.ucla.edu
John Asker	johnasker@econ.ucla.edu
David Baqaee	baqaee@econ.ucla.edu
Oleg Itskhoki	itskhoki@econ.ucla.edu
Placement Office	placement@econ.ucla.edu

Skills

R, Matlab, STATA, \LaTeX

Languages

English (native), Mandarin Chinese (advanced intermediate), Korean (beginner)

Citizenship

United States, Ireland