

Arian Seifoddini

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Citizenship: USA

Education

University of California, Davis
Ph.D. Economics

Expected, June 2022

University of Wisconsin-Madison
B.A. Mathematics and Economics with comprehensive honors

May 2012

Job Market Paper

How Does the Earned Income Tax Credit Affect Household Expenditures for Vulnerable Households (*job market paper*)

I estimate the effect of a conditional cash transfer on the economic well-being of single female headed households. Specifically, I examine the impact of the Earned Income Tax Credit (EITC) on the nondurable expenditures of single female headed households. Using longitudinal data with a dynamic difference-in-differences design, I study all major EITC policy changes over time, including the 1975 introduction, a currently understudied aspect of the program. This paper additionally estimates the marginal propensity to consume out of transfer income, providing new evidence on the elasticity of household expenditures to a large lump-sum transfer. I find that an increase of \$1 of EITC benefits leads to an increase of \$0.41 in food expenditures, significantly higher than the proportion of disposable income typically spent on food. This research strengthens our knowledge of how public assistance changes the spending decisions of low-income households and our understanding of a population not typically the focus of the household finance literature.

Publications

Health Impacts of Food Assistance: Evidence from the United States

with Marianne Bitler, *Annual Review of Resource Economics*, 2019

This review focuses on the health and nutrition impacts of food assistance programs. We focus particular attention on the United States, both because of the plethora of types of programs and associated variation and because spending on these programs is a large share of the nonmedical safety net there. We begin by reviewing the theoretical predictions concerning health and nutrition effects of these programs, also paying attention to potential mediators such as education and income. We then discuss program eligibility and size, both as caseload and in terms of spending. We next touch on identifying causal variation and opportunities for further research. The review concludes by discussing the existing literature in five broad areas: take-up and use of the programs; effects on nutrition and food consumption; other immediate effects on short-run health; impacts on other contemporaneous outcomes such as income and labor supply; and longer-run health and nutrition effects.

Changing Labor Force Composition and the Natural Rate of Unemployment

with Daniel Aaronson, Daniel Sullivan, and Luojia Hu, *Chicago Fed Letter*, 2015

This article discusses why changes in the composition of the labor force may have lowered the natural (or trend) rate of unemployment—the unemployment rate that would prevail in an economy making full use of its productive resources—to 5 percent or less. A lower natural rate may help explain why wage inflation and price inflation remain low despite actual unemployment recently reaching 5.5 percent—a figure only slightly above prominent estimates of the natural rate, such as that of the Congressional Budget Office (CBO). Demographic and other changes should continue to lower the natural rate for at least the remainder of the decade.

Declining Labor Force Participation and Its Implications for Unemployment and Employment Growth

with Daniel Aaronson, Daniel Sullivan, and LuoJia Hu, *Economic Perspectives*, 2014

The authors provide estimates of the long-run trend rate of labor force participation (LFP) based on data before the Great Recession (before 2008). Their models suggest that the actual LFP rate as of the third quarter of 2014 is 0.2 to 1.2 percentage points lower than what would have been expected before the recession started, with their preferred model estimating the gap at the high end of this range. Accounting for unemployment rates of recent years, their models for the trend LFP rate place the actual LFP rate between 0 and 0.8 percentage points below expectations, again with their preferred model estimating the gap at the high end. Their LFP results imply that the natural rate of unemployment may be lower than is often assumed (by as much as 0.6 percentage points since 2000) and that the long-run trend in payroll employment growth is expected to move substantially lower (to under 50,000 jobs per month) through 2020.

Research in Progress

Examining the Relationship Between Public Cash Transfer Programs and Asset Holdings

This research uses the Consumer Expenditure Survey to determine the impact of a large, public cash transfer program on non-housing wealth. The Earned Income Tax Credit is an ideal candidate to understand more about the relationship between asset holdings and government assistance programs because it is one of the few programs without an asset limit and because it targets low- and middle-income households. The Consumer Expenditure Survey provides quarterly data on outcomes such as savings, debt, and the total amount in a household's checking accounts.

Effects of the Safety Net on Spending and Well-being: The COVID-19 Crisis Response

with Marianne Bitler and Dana Horn

Determinants and Effects of WIC Rollout: Evidence from Newly Digitized Data from the National Archives

with Marianne Bitler, Dana Horn, Esra Kose, and Maria Fernanda Rosales-Rueda

Other Research

Updating Risk Preferences after Job Loss Throughout the Life Cycle (*March 2018*)

Job search model with Bayesian updating of beliefs about employment and unemployment duration to predict subsequent job quality

Estimating Labor Supply Elasticity with Imputed Desired Hours (*December 2013*)

Exploiting features of the Current Population Survey questions to impute desired hours of work

Differences in Earning Potential Between Various Post-Secondary Educational Paths
(*Senior Honors Thesis, May 2012*)

Comparison of adult earnings between two-year, four-year, and two-year transfers to four-year institutions

Employment

University of California, Davis

Graduate Student Researcher

June 2018-July 2021

Federal Reserve Bank of Chicago

Senior Associate Economist

June 2012-July 2015

Value Added Research Center

Junior Economist

May 2011-August 2011

Awards and Affiliations

Russell J. and Dorothy S. Bilinski Fellowship (*2021-2022*)

Graduate Student Affiliate UC Network on Child Health, Poverty, and Public Policy

Invited Talks

Dec 2021: Federal Reserve Bank of Chicago

Sep 2021: UC Davis Center for Poverty & Inequality Research

Sep 2021: All-Cal Labor Economics Conference, Poster Session

Jun 2021: Western Economics Association International 96th Annual Conference

Teaching Assistant Experience

Intermediate Microeconomics

Energy Economics

Financial Economics

Labor Economics

Honors International Macroeconomics

Graduate Coursework

Stochastic Process (at University of Wisconsin-Madison)

Applied Macroeconomics: Micro Data for Macro Models (at University of Chicago)

Microeconomic Theory – First year sequence

Macroeconomic Theory – First year sequence

Econometric Theory – First year sequence

Economic History, Fall 2016

Advanced Theory, Fall 2017

Game Theory, Winter 2018

Topics in Economic Theory: Behavioral Economics, Spring 2018

Empirical Methods in Public Economics, Fall 2017

Public Finance, Winter 2018

Public Economics: The Social Safety Net, Spring 2018

Labor Demand, Winter 2018

Labor Supply, Spring 2018