

# Brett A. McCully

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## Education

Ph.D. Economics, UCLA, Expected 2021.

M.A. Economics, UCLA, 2016.

B.A. Mathematics and Economics, University of Virginia, 2013.

## Research

### **Immigrants, Legal Status, and Illegal Trade** (job market paper)

Nearly \$2 trillion worth of illegal goods are trafficked across international borders per year, generating violence and other social costs along the way. Some have controversially linked this trafficking to immigrants, but even if true the optimal immigration policy response is unclear. In this paper, I use novel data on nearly 10,000 confiscations of illegal drugs in Spain to study how immigrants and immigration policy affect the pattern and scale of illegal drug trafficking. To identify the causal effect of immigrants on trafficking, I construct an instrumental variable that interacts variation in (i) total immigrant inflows into Spain by origin country and (ii) the fraction of immigrants inflowing into a province. I find that a 10% larger population of immigrants from a given foreign country relative to the mean raises the value of drugs from the foreign country confiscated in a given province by 12%. Moreover, this relationship is driven entirely by immigrants without legal status. To better understand the role of legal status, I exploit an extraordinary regularization of nearly half a million immigrants in 2005. Event study estimates suggest that legalizing immigrants and providing a path to citizenship diminishes the role immigrants play in drug trafficking.

### **Health, Fertility, and Productivity: Long-term Effects of a Health and Family Planning Program** (with Tania Barham, Randall Kuhn, and Patrick Turner)

While health improvements are thought to be a necessary precondition for economic growth, few contemporary studies have estimated the effects of population health interventions on subsequent economic growth. We explore long-run effects of the quasi-randomized Matlab Maternal and Child Health and Family Planning program introduced in a rural area of Bangladesh from 1977-1989 on agricultural productivity 35 years later. Using a rich data set including two follow-up surveys with unusually low rates of attrition, we find only modest effects on productivity as of 1996, but large effects emerge in 2012, including a 27% increase in productivity per acre in treatment versus area and a 34% relative increase in the adoption of high-yield seeds. We account for a wide range of baseline controls dating back to 1974, explore heterogeneity, and propose testing mechanisms of impact relating to human capital, household competition and migration.

### **How Much Are Car Purchases Driven by Home Equity Withdrawal? Evidence from Household Surveys** (with Daniel Vine and Karen Pence), 2019, Vol. 51, No. 5, *Journal of Money, Credit, and Banking*.

Previous research indicates that changes in housing wealth affect consumer spending on cars. We find that home equity extraction plays only a small role in this relationship. Consumers rarely use

funds from equity extraction to purchase a car directly, even during the mid-2000s' housing boom; this finding holds across three nationally representative household surveys. We find in credit bureau data that equity extraction does lead to a statistically significant increase in auto loan originations, consistent with equity extraction easing borrowing constraints in the auto loan market. This channel, though, accounts for only a tiny share of overall car purchases.

**Is Underemployment Underestimated? Evidence from Panel Data** (with Geng Li), May 2016, FEDS Notes.

Despite a broad recovery of the U.S. economy from the depths of the Great Recession, lingering slack remains in the labor market. In this note, we show that PTER substantially underestimates underemployment along the dimension of hours people are actually working—relative to the numbers they would prefer to work at current wages. We show this using two panel surveys—the Panel Study of Income Dynamics and the Health and Retirement Survey—which contain information on worker underemployment and, in the case of the HRS, the number of desired hours for workers.

## Employment

UCLA, Research Assistant

California Policy Lab, 2017

Professor Randall Kuhn, 2019

UCLA, Teaching Assistant, 2016–2017

Introductory Macroeconomics, Fall 2016

Introduction to Econometrics, Winter 2017

UCLA, Guest Lecturer

Introduction to Econometrics Lab, Winter 2017 (x1)

Undergraduate Labor Economics, Spring 2019 (x2)

UCLA, Grader

Macroeconomic Theory, Summer 2016

Labor Economics, Fall 2018

Federal Reserve Board of Governors, Research Assistant

Consumer Finance section, 2013–2015

## Honors and Awards

Institute on Global Conflict and Cooperation Dissertation Fellowship, 2020–2021

Dissertation Year Fellowship, UCLA, 2020–2021

European Studies Fellowship, UCLA, 2020–2021

Best Paper Award, International Economics Proseminar, 2019–2020

NICHD Traineeship, California Center for Population Research, 2017–2018 and 2019–2020

Graduate Summer Research Mentorship, UCLA, 2017

Pauley Fellowship, UCLA, 2015–2016 and 2018–2019

## Presentations

APPAM Fall Research Conference (poster, scheduled), November 2020

DemSemX Virtual Conference, June 2020

International Economics Proseminar, UCLA, multiple

Applied Microeconomics Proseminar, UCLA, multiple

## Service

International Economics Student Proseminar organizer, 2018-2020

Graduate Students Association Forum member, 2017-2019

Graduate Economics Association, Co-President, 2017-2018

Social Science Council, Vice President of External Affairs, 2017-2018

UCLA Economics PhD Student Mentor, 2016-2018

## References

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