**University of Minnesota - Twin Cities**

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**Curriculum Vitae**
**Fall 2018**

# GUILLERMO CABRAL

## Personal Data

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4-101 Hanson Hall
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*Citizenship*: Paraguay (J-1 Visa)

## Major Fields of Concentration

Public Economics, Labor Economics

## Education

| Degree | Field | Institution | Year |
|---|---|---|---|
| PhD | Economics | University of Minnesota (expected) | 2019 |
| Certificate of Graduate Studies | Economics | Universidad Torcuato Di Tella | 2011 |
| BA | Economics (with merit) | University Catolica (Paraguay) | 2008 |

## Dissertation

Title: "Universal Basic Income and the Mirrless Model"
Dissertation Advisor: Professor Larry Jones
Expected Completion: Summer 2019

## References

| | | |
|---|---|---|
| Professor Larry Jones | (612) 624-4553 lej@umn.edu | Department of Economics University of Minnesota 4-101 Hanson Hall |
| Professor V. V. Chari | (612) 626-7151 chari002@umn.edu | 1925 Fourth Street South Minneapolis, MN 55455 |
| Professor Christopher Phelan | (612) 626-2533 cphelan@umn.edu | |

## Honors and Awards

| | |
|---|---|
| Spring 2018 | *Distinguished Instructor*, Department of Economics, University of Minnesota, Minneapolis, Minnesota |
| Fall 2014, Spring 2016 | *Distinguished Teaching Assistant*, Department of Economics, University of Minnesota, Minneapolis, Minnesota |
| 2013 | *Christopher Sims Fellowship*, Department of Economics, University of Minnesota, Minneapolis, Minnesota |
| 2010 | *Itaipu Binancional Fellowship*, University Torcuato Di Tella, Buenos Aires, Argentina |

## Teaching Experience

| | |
|---|---|
| June 2016 - May 2018 | *Instructor*, Department of Economics, University of Minnesota, Minneapolis, Minnesota. Instructor for *Economy of Latin America*. |
| Spring 2016 | *Teaching Assistant*, Department of Economics, University of Minnesota, Minneapolis, Minnesota. Led recitation sections for *Principles of Microeconomics*. |
| March 2011 - June 2012 | *Teaching Assistant*, University Torcuato Di Tella, Buenos Aires, Argentina. Taught *Public Finance* and *Topics in Macroeconomics*. |

## Professional/Research Experience

| | |
|---|---|
| June 2015 - December 2015 | *Research Assistant*, Research Department, Federal Reserve Bank of Minneapolis, Minneapolis, Minnesota. |
| August 2012 - June 2013 | *Junior Professional Associate*, World Bank, Paraguay Office, Asunción, Paraguay. |
| March 2011 - June 2012 | *Research Assistant*, University Torcuato Di Tella, Buenos Aires, Argentina. Research assistant for Juan Pablo Nicolini and Lucia Quesada |

## Papers

"Tax Simplicity and Universal Basic Income"
"Demographics, Labor, and the Great Recession"

## Computer Skills

Matlab, Fortran, STATA

## Languages

Spanish (native), English (advanced), Portuguese (intermediate)

## Abstract

"Tax Simplicity and Universal Basic Income"

In this paper I analyze the convenience of a cash transfer program, or universal basic income (UBI), combined with a flat or linear marginal tax rate on income. Proponents of a policy of cash transfers argue that if combined with a simplification of welfare programs and the tax system, it could generate enough benefits through a reduction of administrative costs and a reduction of distortions, especially in the labor market.

This idea is not new in economics, and numerical results in models as in Mirrlees (1971) have lump-sum components that can be interpreted as UBI. Also, Mirrlees has noted that the optimal marginal non-linear tax rate is close to a linear tax system. I start by double-checking Mirrlees' calculations and determining that those numbers hold for a wide range of parameters. For a utilitarian planner, if a simplification of the tax system results in a value of 0.18% - 0.5% of GDP, a linear tax system is desirable.

Second, I analyse the effects of introducing uncertainty in the optimal non-linear tax system. I introduce uncertainty in the preference of the agent. I show that heterogeneity could be a factor in making the optimal non-linear tax system closer to a linear tax system. In the extreme case where heterogeneity increases to its maximum possible value, the optimal tax system tends toward a linear tax system.