Eduardo Dávila

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Academic Positions

YALE UNIVERSITY, 2018-
Assistant Professor of Economics, Economics Department and Cowles Foundation, 2019-
Assistant Professor of Finance, School of Management, Finance Department (Secondary Appointment), 2019-
Visiting Assistant Professor of Economics, 2018-2019

NATIONAL BUREAU OF ECONOMIC RESEARCH, 2017-
Faculty Research Fellow

NEW YORK UNIVERSITY, 2014-19
Assistant Professor of Finance, Stern School of Business, Finance Department

Education

HARVARD UNIVERSITY, 2014
Ph.D./M.A. in Economics
Thesis: Essays on Normative Macro-Finance. Chairs: John Campbell and Emmanuel Farhi

UNIVERSITAT POMPEU FABRA, 2008
B.A. in Economics, Second Cycle

UNIVERSIDAD DE LAS PALMAS DE GRAN CANARIA, 2006
B.A. in Economics, First Cycle

Research Fields

Primary: Financial Economics, Macroeconomics

Secondary: Public Economics, International Finance

Publications

1. The Value of Arbitrage, 2023 (with Daniel Graves and Cecilia Parlatore)
   Journal of Political Economy, Forthcoming.
2. Optimal Corporate Taxation under Financial Frictions (with Benjamin Hébert)
   Review of Economic Studies, Volume 90, Issue 4, July 2023, Pages 1893–1933.
3. Prudential Policy with Distorted Beliefs (with Ansgar Walther)
   American Economic Review, Volume 113, Issue 7, July 2023, Pages 1967-2006.
   Runner-up 2021 Ieke van den Burg Prize for Research on Systemic Risk
4. Optimal Deposit Insurance (with Itay Goldstein)
   Journal of Political Economy, Volume 131, Issue 7, July 2023, Pages 1676-1730.
5. Volatility and Informativeness (with Cecilia Parlatore)
   Journal of Financial Economics, Volume 147, Issue 3, March 2023, Pages 550–572.
6. Optimal Financial Transaction Taxes
   Journal of Finance, Volume 78, Issue 1, February 2023, Pages 5-61. Lead article.
7. Trading Costs and Informational Efficiency (with Cecilia Parlatore)
   Journal of Finance, Volume 76, Issue 3, June 2021, Pages 1471-1539.

8. Does Size Matter? Bailouts with Large and Small Banks (with Ansgar Walther)
   Journal of Financial Economics, Volume 136, Issue 1, April 2020, Pages 1–22. Lead article.
   Runner-up 2018 Ieke van den Burg Prize for Research on Systemic Risk

9. Using Elasticities to Derive Optimal Bankruptcy Exemptions
   Review of Economic Studies, Volume 87, Issue 2, March 2020, Pages 870–913.

10. House Price Beliefs and Leverage Choice (with Michael Bailey, Johannes Stroebel, and Theresa Kuchler)
    Review of Economic Studies, Volume 86, Issue 6, November 2019, Pages 2403–2452.

11. Pecuniary Externalities in Economies with Financial Frictions (with Anton Korinek)
    Review of Economic Studies, Volume 85, Issue 1, January 2018, Pages 352–395.

Under Review

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1. Optimal Monetary Policy with Heterogeneous Individuals: Discretion, Commitment, and Timeless Policy, 2023 (with Andreas Schaab)
   Revise & Resubmit, *American Economic Review*
2. Corrective Regulation with Imperfect Instruments, 2022 (with Ansgar Walther)
   Revise & Resubmit, *Journal of Political Economy*
   Runner-up 2022 Ieke van den Burg Prize for Research on Systemic Risk
3. Identifying Price Informativeness, 2023 (with Cecilia Parlatore)
   Revise & Resubmit, *Review of Financial Studies*
4. Welfare Assessments with Heterogeneous Individuals, 2022 (with Andreas Schaab)
   Revise & Resubmit, *Journal of Political Economy*

Working Papers/Work in Progress

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1. Welfare Accounting, 2023 (with Andreas Schaab)
2. Central Bank Mandates with Distributional Considerations, 2023 (with Andreas Schaab)
3. Incompleteness Shocks, 2018 (with Thomas Philippon)
4. Optimal Joint Bond Design, 2018 (with Charles-Henri Weymuller)

Inactive Working Papers

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1. Dissecting Fire Sales Externalities, 2014 (subsumed in Pecuniary Externalities in Economies with Financial Frictions)
2. Myopic Portfolio Choice with Higher Cumulants, 2011

Grants, Honors, and Awards

NSF CAREER Award: "Normative Macro-Finance", 2023-28

ECB Lamfalussy Fellowship, 2021

Excellence in Refereeing Award, American Economic Journal: Macro, 2021, 2022

Excellence in Refereeing Award, American Economic Review, 2019, 2021, 2022

Excellence in Refereeing Award, Review of Economic Studies, 2017, 2019, 2020

Foundation Bank of France Research Grant, 2016

NYU Stern CGEB Research Grant, 2015-2016

Top Finance Graduate Award, 2014

Harvard Dissertation Completion Fellowship, 2012

Harvard International Research Grant, 2012

AFA Student Travel Grant, 2012

Foundation Rafael del Pino Graduate Fellowship, 2010-12

Invited participant at 4th Lindau Meeting of Nobel Laureates in Economics, 2011

Bank of Spain Graduate Fellowship (declined), 2010

"la Caixa" Graduate Fellowship, 2008-10

National Undergraduate Prize in Economics (best undergraduate student in Economics in Spain, class of 08), 2008

Seminar and Conference Presentations (it may include scheduled)

2023	ASSA Meetings, Richmond Fed, Arizona State University, Brown, Boston University, Tilburg University, Erasmus University Rotterdam, St. Louis Fed, Vienna Graduate School of Finance, Stanford SITE, UCLA, University of Wisconsin Finance, University of Montreal
2022	ASSA Meetings, MIT, Hewlett Conference on Imperfect Regulation, University of Wisconsin IO/Finance Reading Group, Chicago Fed, Fed Board, UChicago Conference on Data and Welfare, China International Conference in Finance, NBER SI Monetary Economics, NBER SI Micro Data and Macro Models, Minnesota Workshop in Macroeconomic Theory, EFA, UPenn, Harvard, Cowles Yale Conference in General Equilibrium and its Applications, NYU, Normative Economics and Economic Policy Webinar, LSE Economics, Philadelphia Fed, Yale
2021	ASSA Meetings, Yale, Minneapolis Fed, LSE Finance, Tinbergen Institute, Midwest Finance Association Annual Conference, Warwick, Bristol, Richmond Fed, Oxford Said, SED, Oxford Macro-Finance Conference, Pizzanomics, OxFIT, NBER SI International Asset Pricing, Finance Theory Webinar, Chicago Advancing Macro Finance Workshop, University of Bonn
2020	ASSA Meetings, Yale, Stanford Economics, Chicago Household Finance Conference, Virtual Finance Theory Seminar, Duke Economics, Rutgers Economics, London Business School Finance, Northwestern Economics, Virtual Finance Theory Seminar, Yale Pre-Doc Seminar
2019	ASSA Meetings, Yale, University of Virginia Economics, Sciences Po Economics, Midwest Finance Association Annual Conference, Adam Smith Asset Pricing Conference, Diamond Dybvig@36 Conference, Stockholm Finance, UWashington Foster Finance, FIRS, CEPR Public Economics, Fed Board, Columbia Economics, University of Wisconsin Macro Conference, UVa Symposium on Financial Economics
2018	ASSA Meetings, Yale, Wharton Macro, Berkeley Haas Finance, Maryland/Fed Board Conference on Short Term Funding Markets, NYU, MIT Sloan Finance, Kellogg Finance, IMF, FDIC, SED Mexico, NBER SI Impulse and Propagation Mechanisms, NBER SI Corporate Finance, NBER SI Real Estate, University of Wisconsin Junior Finance Conference, NBER Asset Pricing, Chicago Booth Asset Pricing Conference, Bank of Sweden
2017	ASSA Meetings, Duke Fuqua Finance, NYU, Drexel Economics, Macro Finance Society Spring Meetings, NBER SI Behavioral Macro, NBER SI Capital Markets and the Economy, CEPR Housing, Housing Credit and the Macroeconomy Conference, MIT Economics, Bank of France, Minneapolis Fed, USC Lusk Annual Research Symposium, CREi, Chicago Booth Macro, UT Austin Finance
2016	ASSA Meetings, University of Virginia Economics, Bank of Portugal, Stanford Junior Conference in Financial Regulation, NBER Public Economics, FIRS, Barcelona GSE Summer Forum International Finance and Macro, FTG Summer Conference, SED Toulouse, NBER SI Corporate Finance, Columbia Economics, NYU, New York Fed
2015	Johns Hopkins Economics, Stanford GSB Finance, NYU, Cowles Yale Conference in General Equilibrium and its Applications, Barcelona GSE Summer Forum, NBER SI Aggregate Implications of Consumption Behavior, Gerzensee Asset Pricing Conference, Econometric Society World Congress, BFI Advances in Price Theory Conference
2014	UC Berkeley Economics, Princeton, Chicago Booth Finance, LSE Economics, LSE Finance, Brown, NYU Stern, New York Fed, Federal Reserve Board, SED Toronto, NBER SI Corporate Finance, Copenhagen Business School, University of Geneva Securities' Markets Regulation Conference

2013 Chicago Fed Rookie Conference

Short Visits:

Bank of Portugal (2015), Minneapolis Fed (2017), Philadelphia Fed (2019, 2022), Richmond Fed (2021, 2023), Becker-Friedman Institute (2023), MIT (2023/2024)

Professional Activities (it may include scheduled)

Referee: American Economic Journal: Macro, American Economic Journal: Micro, American Economic Review, American Economic Review: Insights, Asian Development Review, Econometrica, Economic Journal, Economic Theory, Economica, Economics of Transition, European Research Council, International Economic Review, Journal of Economic Theory, Journal of the European Economic Association, Journal of Finance, Journal of Financial Economics, Journal of International Economics, Journal of Legal Studies, Journal of Monetary Economics, Journal of Political Economy, Journal of Political Economy: Micro, Journal of Public Economics, Management Science, National Science Foundation, Quarterly Journal of Economics, Review of Economic Dynamics, Review of Economic Studies, Review of Economics and Statistics, Review of Finance, Review of Financial Studies, Theoretical Economics

Discussant:

1. 2024 AEA Meetings, Exchange Controls as a Fiscal Instrument, by Stephanie Schmitt-Grohé and Martín Uribe
2. 2023 Douglas Gale's Festschrift: Whatever It Takes? Market Maker of Last Resort and its Fragility, by Dong Beom Choi and Tanju Yorulmazer
3. 2023 Wharton Conference on Liquidity and Financial Fragility: Bailing out (Firms') Uninsured Deposits: A Quantitative Analysis, by Aaron Pancost and Roberto Robatto
4. 2023 4th TWID International Finance Conference: The Macroeconomics of Trade Credit, by Luigi Bocola and Gideon Bornstein
5. 2023 China International Conference in Finance (CICF): Redistributive Inflation and Monetary Policy, by Yucheng Yang
6. 2023 Third Conference on Non-Bank Financial Sector and Financial Stability: Falling Interest Rates and Credit Reallocation: Lessons from General Equilibrium, by Vladimir Asriyan, Luc Laeven, Alberto Martin, Alejandro Van der Ghote, and Victoria Vanasco
7. 2023 SFS Cavalcade: Valuing Financial Data, by Maryam Farboodi, Dhruv Singal, Laura Veldkamp, and Venky Venkataswaran
8. 2023 OFR Rising Scholars Conference: Stablecoin Runs and the Centralization of Arbitrage, by Yiming Ma, Yao Zeng, and Anthony Lee Zhang
9. 2023 AFA Meetings: Green Capital Requirements, by Martin Oehmke and Marcus Opp
10. 2022 NBER Corporate Finance Fall Meeting: Socially Responsible Divestment, by Alex Edmans, Doron Levit, and Jan Schneemeier
11. 2022 Bank of Canada Workshop on Monetary Policy Research: Bank Runs, Fragility, and Credit Easing, by Manuel Amador and Javier Bianchi
12. 2022 Econometric Society Meetings: (In)efficiency in Information Acquisition and Aggregation through Prices, by Alessandro Pavan, Savitar Sundaresan, and Xavier Vives
13. 2021 IWH-FIN-FIRE Workshop on "Challenges to Financial Stability": The Political Economy of Prudential Regulation, by Magdalena Rola-Janicka
14. 2021 China International Conference in Finance (CICF): Delayed Crises and Slow Recoveries, by Xuewen Liu, Pengfei Wang, and Zhongchao Yang
15. 2021 JHU Carey Finance Conference: Is There Too Much Benchmarking in Asset Management?, by Anil Kashyap, Natalia Kovrijnykh, Jian Li, and Anna Pavlova
16. 2021 SFS Cavalcade: Renegotiation in Debt Chains, by Vincent Glode and Christian Opp
17. 2021 Adam Smith Workshop: Can the Cure Kill the Patient? Corporate Credit Interventions and Debt Overhang, by Nicolas Crouzet and Fabrice Tourre
18. 2021 MFA Meetings: Alpha and Beta Information, by Shiyang Huang, Jan Schneemeier, Avanidhar Subrahmanyam, and Liyan Yang
19. 2021 AEA Meetings: Dissecting Mechanisms of Financial Crises: Intermediation and Sentiment, by Arvind Krishnamurthy and Wenhao Li
20. 2020 Cambridge Corporate Finance Theory Symposium: Capital Structure and Hedging Demand with Incomplete Markets, by Alberto Bisin, Gian Luca Clementi, and Piero Gottardi

21. 2020 SFS Cavalcade: Market Feedback: Who Learns What?, by Itay Goldstein, Jan Schneemeier, and Liyan Yang
22. 2020 AEA Meetings: Bank Competition, Lending Technologies, and Credit Availability: Evidence Using Antitrust Regulatory Friction, by Allen Berger and Dasol Kim
23. 2020 AFA Meetings: Liquidity versus Information Efficiency, by Sergei Glebkin
24. 2019 NYU Stern Five-Star Conference: A Dynamic Theory of Multiple Borrowing, by Daniel Green and Ernest Liu
25. 2019 Shadow Open Market Committee: The Financial Crisis Bailouts: What They Cost Taxpayers and Who Reaped the Direct Benefits, by Deborah Lucas
26. 2019 Bank of Spain Second Conference on Financial Stability: Cournot Fire Sales, by Thomas Eisenbach and Greg Phelan
27. 2019 FIRS Meetings: Variation Margins, Fire Sales, and Information-Constrained Optimality, by Bruno Biais, Florian Heider, and Marie Hoerova
28. 2019 AFA Meetings: Self-Fulfilling Asset Prices, by Alexander Zentefis
29. 2018 Wharton Conference on Liquidity and Financial Fragility: How I Learned to Stop Worrying and Love Fire Sales, by Pablo Kurlat
30. 2018 SFS Cavalcade: Speed Acquisition: by Shiyang Huang and Bart Zhou Yueshen
31. 2018 AEA Meetings: Risk-Taking Dynamics and Financial Stability, by Anton Korinek and Martin Nowak
32. 2018 Econometric Society Meetings: The Misallocation of Finance, by Toni Whited and Jake Zhao
33. 2017 ESSIM: Divergent Risk-Attitudes and Endogenous Collateral Constraints, by Giuliano Curatola and Ester Faia
34. 2017 AEA Meetings: Moral Hazard Misconceptions: the Case of the Greenspan Put, by Gideon Bornstein and Guido Lorenzoni
35. 2016 Yale Junior Finance Conference: The Output Costs of Sovereign Default, by Ben Hébert and Jesse Schreger
36. 2016 NBER International Finance Spring Meeting: Multiple Equilibria in Open Economy Models with Collateral Constraints: Overborrowing Revisited, by Stephanie Schmitt-Grohé and Martín Uribe
37. 2015 NBER Mathematical Economics Conference: Monetary Policy and the Redistribution Channel, by Adrien Auclert
38. 2015 Wharton Conference on Liquidity and Financial Fragility: Coordinating Business Cycles, by Edouard Schaal and Mathieu Taschereau-Dumouchel
39. 2015 Gerzensee Asset Pricing Conference: Advertising Arbitrage, by Sergei Kobasyuk and Marco Pagano
40. 2015 Barcelona GSE Summer Forum Macro Finance: Can a Financial Transaction Tax Prevent Stock Price Booms?, by Klaus Adam, Johannes Beutel, Albert Marcet and Sebastian Merkel
41. 2015 Columbia Safe Assets Conference: A Model of the Reserve Asset, by Zhiguo He, Arvind Krishnamurthy and Konstantin Milbradt
42. 2014 NBER International Finance Fall Meeting: International Spillovers and Guidelines for Policy Cooperation, by Anton Korinek
43. 2014 Barcelona GSE Summer Forum Macro Finance: A Theory of Power Law Distributions for the Returns to Capital and of the Credit Spread Puzzle, by François Geerolf

Program Committee:

WFA: 2016-2023; MFA: 2016-2019, EFA: 2019-2023; FIRS: 2020-2022; SFS Cavalcade: 2020-2023; Wharton Conference on Liquidity and Financial Fragility: 2019, Cambridge Corporate Finance Theory Symposium: 2021, OFR Rising Scholars Conference: 2023, AFA 2024 (session chair)

Conference Organizer:

Finance Theory Group: Fall 2021; Macro-Finance Society: Spring 2022; Hewlett Seminars: Spring 2022, Cowles Conference on General Equilibrium and its Applications: Spring 2023; Cowles Macro Summer Conference: Summer 2023

Seminar Organizer:

NYU Stern Finance Seminar: Fall 2016, Spring 2017; Yale Macro Seminar: Fall 2019, 2020, 2022; Yale Finance Lunch: 2019-onwards

University Service:

Junior Recruiting Committee: 2019/20, 2020/21, 2022/23

Fulbright Grants Committee: 2022/23

Teaching

At Yale:

Financial Economics, undergraduate (2020/21, 2021/22, 2022/23)
Mathematical Economics: General Equilibrium Theory, undergraduate (2019/20)
Financial Theory, undergraduate (2018/19)
General Economic Theory: Microeconomics (General Equilibrium), PhD (2018/19, 2019/20)
Mathematical Economics II: General Equilibrium Foundations of Finance and Macroeconomics, PhD (2018/19, 2019/20, 2021/22, 2022/23)

At NYU Stern:

Foundations of Finance, undergraduate and masters (2014/15, 2015/16, 2016/17, and 2017/18)

At Harvard:

Asset Pricing, PhD, TA for John Campbell (2010/2011)
Corporate Finance, PhD, TA for Robin Greenwood and David Scharfstein (2012/13)

Advising (includes ongoing)

Graduate (thesis committee member and/or letter writer): Yangjue Han (NYU; MSCI), Ahyan Panjwani (Yale; Fed Board), Oliver Pfäuti (Mannheim/Visiting Yale; UT Austin), Antzelos Kyriazis (Yale; Franklin Templeton), Sam Slocum (Yale; in progress), Francesco Beraldi (Yale; in progress), Daniel Graves (Yale; in progress), Barry Ke (Yale; in progress), Chenping Yang (Yale; in progress)

Undergraduate (letter writer): Luke Min (PhD: UPenn Wharton), Jingyi Cui (PhD: Yale), Lauren Harris (PhD: Stanford), Vod Vilfort (PhD: MIT), Alex Kane (PhD: BU), Flint O'Neil (PhD: Stanford), Brian Zhu (PhD: Columbia), Reyanna James (Fulbright), Bruno Moscarini (PhD: MIT)

Undergraduate (senior thesis advisor): Luke Min, Shawn Luciani, Alexander Kirov, Arrunava Moondra, Bruno Moscarini (Dickerman Prize for the best senior essay in Economics)

Memberships

American Economic Association, American Finance Association, European Finance Association, Econometric Society, Macro Finance Society, Finance Theory Group

Personal Information

DOB: December 2, 1986. Citizenship: Spanish, U.S.

Updated: October 2023