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. Prudential Policy with Distorted Beliefs (with Ansgar Walther)
   American Economic Review, Conditionally Accepted, February 2023.
   Runner-up 2021 Ieke van den Burg Prize for Research on Systemic Risk

2. Optimal Deposit Insurance (with Itay Goldstein)
   Journal of Political Economy, Forthcoming, July 2023.

3. Optimal Corporate Taxation under Financial Frictions (with Benjamin Hébert)
   Review of Economic Studies, Forthcoming, 2023.

4. Volatility and Informativeness (with Cecilia Parlatore)
   Journal of Financial Economics, Volume 147, Issue 3, March 2023, Pages 550–572.

5. Optimal Financial Transaction Taxes
   Journal of Finance, Volume 78, Issue 1, February 2023, Pages 5-61. Lead article.

6. Trading Costs and Informational Efficiency (with Cecilia Parlatore)
   Journal of Finance, Volume 76, Issue 3, June 2021, Pages 1471-1539.

7. 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

8. Using Elasticities to Derive Optimal Bankruptcy Exemptions
   Review of Economic Studies, Volume 87, Issue 2, March 2020, Pages 870–913.
9. 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.
10. 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

1. The Value of Arbitrage, 2022 (with Daniel Graves and Cecilia Parlatore)
   Revise & Resubmit, *Journal of Political Economy*
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, 2022 (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

1. Optimal Monetary Policy with Heterogeneous Individuals: Discretion, Commitment, and Timeless Policy, 2023 (with Andreas Schaab)
2. Welfare Accounting, 2023 (with Andreas Schaab)
3. Incompleteness Shocks, 2018 (with Thomas Philippon)
4. Optimal Joint Bond Design, 2018 (with Charles-Henri Weymuller)

Inactive Working Papers

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

ECB Lamfalussy Fellowship, 2021

Excellence in Refereeing Award, AEJ Macro, 2021

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

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, Boston University, Brown, St. Louis Fed, Arizona State University, Tilburg University, Erasmus University Rotterdam, Vienna Graduate School of Finance

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)

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, 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. 2023 AFA Meetings: Green Capital Requirements, by Martin Oehmke and Marcus Opp
2. 2022 NBER Corporate Finance Fall Meeting: Socially Responsible Divestment, by Alex Edmans, Doron Levit, and Jan Schneemeier
3. 2022 Bank of Canada Workshop on Monetary Policy Research: Bank Runs, Fragility, and Credit Easing, by Manuel Amador and Javier Bianchi
4. 2022 Econometric Society Meetings: (In)efficiency in Information Acquisition and Aggregation through Prices, by Alessandro Pavan, Savitar Sundaresan, and Xavier Vives
5. 2021 IWH-FIN-FIRE Workshop on "Challenges to Financial Stability": The Political Economy of Prudential Regulation, by Magdalena Rola-Janicka
6. 2021 China International Conference in Finance (CICF): Delayed Crises and Slow Recoveries, by Xuewen Liu, Pengfei Wang, and Zhongchao Yang
7. 2021 JHU Carey Finance Conference: Is There Too Much Benchmarking in Asset Management?, by Anil Kashyap, Natalia Kovrijnykh, Jian Li, and Anna Pavlova
8. 2021 SFS Cavalcade: Renegotiation in Debt Chains, by Vincent Glode and Christian Opp
9. 2021 Adam Smith Workshop: Can the Cure Kill the Patient? Corporate Credit Interventions and Debt Overhang, by Nicolas Crouzet and Fabrice Tourre
10. 2021 MFA Meetings: Alpha and Beta Information, by Shiyang Huang, Jan Schneemeier, Avanidhar Subrahmanyam, and Liyan Yang
11. 2021 AEA Meetings: Dissecting Mechanisms of Financial Crises: Intermediation and Sentiment, by Arvind Krishnamurthy and Wenhao Li
12. 2020 Cambridge Corporate Finance Theory Symposium: Capital Structure and Hedging Demand with Incomplete Markets, by Alberto Bisin, Gian Luca Clementi, and Piero Gottardi
13. 2020 SFS Cavalcade: Market Feedback: Who Learns What?, by Itay Goldstein, Jan Schneemeier, and Liyan Yang
14. 2020 AEA Meetings: Bank Competition, Lending Technologies, and Credit Availability: Evidence Using Antitrust Regulatory Friction, by Allen Berger and Dasol Kim
15. 2020 AFA Meetings: Liquidity versus Information Efficiency, by Sergei Glebkin
16. 2019 NYU Stern Five-Star Conference: A Dynamic Theory of Multiple Borrowing, by Daniel Green and Ernest Liu
17. 2019 Shadow Open Market Committee: The Financial Crisis Bailouts: What They Cost Taxpayers and Who Reaped the Direct Benefits, by Deborah Lucas
18. 2019 Bank of Spain Second Conference on Financial Stability: Cournot Fire Sales, by Thomas Eisenbach and Greg Phelan
19. 2019 FIRS Meetings: Variation Margins, Fire Sales, and Information-Constrained Optimality, by Bruno Biais, Florian Heider, and Marie Hoerova

20. 2019 AFA Meetings: Self-Fulfilling Asset Prices, by Alexander Zentefis
21. 2018 Wharton Conference on Liquidity and Financial Fragility: How I Learned to Stop Worrying and Love Fire Sales, by Pablo Kurlat
22. 2018 SFS Cavalcade: Speed Acquisition: by Shiyang Huang and Bart Zhou Yueshen
23. 2018 AEA Meetings: Risk-Taking Dynamics and Financial Stability, by Anton Korinek and Martin Nowak
24. 2018 Econometric Society Meetings: The Misallocation of Finance, by Toni Whited and Jake Zhao
25. 2017 ESSIM: Divergent Risk-Attitudes and Endogenous Collateral Constraints, by Giuliano Curatola and Ester Faia
26. 2017 AEA Meetings: Moral Hazard Misconceptions: the Case of the Greenspan Put, by Gideon Bornstein and Guido Lorenzoni
27. 2016 Yale Junior Finance Conference: The Output Costs of Sovereign Default, by Ben Hébert and Jesse Schreger
28. 2016 NBER International Finance Spring Meeting: Multiple Equilibria in Open Economy Models with Collateral Constraints: Overborrowing Revisited, by Stephanie Schmitt-Grohé and Martín Uribe
29. 2015 NBER Mathematical Economics Conference: Monetary Policy and the Redistribution Channel, by Adrien Auclert
30. 2015 Wharton Conference on Liquidity and Financial Fragility: Coordinating Business Cycles, by Edouard Schaal and Mathieu Taschereau-Dumouchel
31. 2015 Gerzensee Asset Pricing Conference: Advertising Arbitrage, by Sergei Kobasyuk and Marco Pagano
32. 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
33. 2015 Columbia Safe Assets Conference: A Model of the Reserve Asset, by Zhiguo He, Arvind Krishnamurthy and Konstantin Milbradt
34. 2014 NBER International Finance Fall Meeting: International Spillovers and Guidelines for Policy Cooperation, by Anton Korinek
35. 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

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
Corporate Finance, PhD, TA for Robin Greenwood and David Scharfstein

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: TBD)

Undergraduate (senior thesis advisor): Luke Min, Shawn Luciani, Alexander Kirov, Arrunava Moondra, Bruno Moscarini

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: February 2023