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OFFICE CONTACT INFORMATION

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PERSONAL INFORMATION

Date of birth: January 29, 1991
Citizenship: Italian

FIELDS

Macroeconomics, Macro-labor, Household Finance, Heterogeneous Agents Macro, Wealth Inequality

ACADEMIC POSITIONS

Aug 2023-present: Assistant Professor of Finance, Dept. of Finance, Stockholm School of Economics
Aug 2023-present: Research Fellow, Swedish House of Finance

EDUCATION

Ph.D. in Economics, Institute for International Economic Studies, Stockholm University, 2023
at Stockholm School of Economics, 2018-2019
Thesis title: "Essays on Income Risk, Portfolio Choices and the Macroeconomy"
Supervisors: Per Krusell, Kurt Mitman. Opponent: Alexander Michaelides.
M.Sc. in Economic and Social Sciences, Bocconi University, 110/110 cum laude, 2015
B.Sc. in Economic and Social Sciences, Bocconi University, 110/110 cum laude, 2013

RESEARCH PAPERS

"Business cycle asymmetry of earnings pass-through"

How does the firm's role as an insurance provider vary over the business cycle? Using Swedish administrative data, I document that idiosyncratic firm productivity shocks are passed through workers' earnings asymmetrically. In non-recessions, firms are good insurers against negative shocks. In downturns, they pass through a larger share of their shock. Regardless of the state of the economy, instead, positive shocks are mainly passed through when sizeable. I rationalize these findings using a directed search model of the labor market with recursive contracts. Moral hazard risk associated with on-the-job search is key to generating pass-through and the increased risk of firm disaster in recessions is necessary for matching the empirical facts. As the wage growth distribution features procyclical skewness and acyclical variance, the model also suggests a new mechanism for explaining trends in income risk variation over the business cycle. Welfare calculations reveal that workers would be willing to give up a non-negligible share of consumption to avoid this source of uncertainty.

"Inferring income properties from portfolio choices"

Two main views exist on the nature of the labor income process: according to one, income shocks are very persistent and agents face similar life-cycle profiles - Restricted Income Profiles (RIP); according to the other, income shocks are not very persistent and life-cycle profiles are individual-specific - Heterogeneous Income Profiles (HIP). This paper studies the implications of these two views in a portfolio choice model in order to discover identification restrictions allowing to discern between them. I find that HIP and RIP imply different life-cycle patterns of the participation and conditional risky share choices but similar patterns of consumption and saving. Crucial for this result is the inclusion of cyclical skewness in the stochastic process for income, which enables us to correctly estimate the part of income risk deriving from the persistence of the shocks.

“Preference heterogeneity and portfolio choices over the wealth distribution” with Markus Kondziella and Zoltán Rácz

What are the key elements to generate portfolio choices over the wealth distribution in line with the data? In this paper, we argue that capturing preference heterogeneity across individuals is one of them. Using a partial equilibrium Bewley-type model with endogenous portfolio choice and cyclical skewness in labor income shocks, we show that heterogeneity in risk aversion, impatience and portfolio diversification is crucial to match the empirical schedules of unconditional risky share, participation and share of idiosyncratic variance in individual portfolios. At the same time, these elements generate dispersion in wealth through their heterogeneous effects on individuals’ investment decisions resulting in a cross-sectional wealth distribution that provides a close fit of the data, particularly at the very top.

PUBLICATIONS

Alesina A., Azzalini G., Favero C., Giavazzi F., Miano A. (2018). [Is it the "How" or the "When" that Matters in Fiscal Adjustments?](#), *IMF Economic Review*, 66 (1), pp 144-188.

RESEARCH PAPERS IN PROGRESS

“Human capital inference” with Zoltán Rácz

There is a long-standing literature in economics whose goal is to infer properties of individuals’ income and human capital and their impact on consumption-saving decisions by using revealed choices, especially on consumption. While this approach is superior to the utilization of income data alone, it nevertheless relies on very strong assumptions on the form of the stochastic process for income, in particular it hard-wires the relationship between shocks to current income and expected future income, that is, human capital. In this paper we develop a new method that enables to perform this task without imposing any restriction on the latter. Specifically, we log-linearize the recursive relationship defining human capital, insert it into a linearized savings policy function and derive moment conditions which, in turn, we use for GMM estimation of the parameters governing moments of the joint and marginal distributions of savings and income. Using high quality Swedish administrative data on wealth – which enables us to overcome the well-known issues deriving from using imputed or survey data – we find that about 60 percent of human capital corresponds to expected income in the following year. This result suggests that individuals are very short-sighted regarding their future income when they make consumption-saving decisions.

PROFESSIONAL SERVICE

Referee

The Review of Economic Studies, American Economic Review: Insights

Departmental

Organizer of the Brown Bag Seminar Series, Dept. of Finance, Stockholm School of Economics (A.Y. 2023-2024)

TEACHING EXPERIENCE

A.Y. 2023-2024

Thesis in Finance (M.Sc.), Stockholm School of Economics, course director

Spring, 2021

Macroeconomics II (Ph.D.), Stockholm University, teaching assistant for Associate Professor Kurt Mitman

Spring, 2020

Macroeconomics II (Ph.D.), Stockholm University, teaching assistant for Professor John Hassler

PRESENTATIONS

2023	Arne Ryde Workshop (Lund University), Nordic Summer Symposium in Macroeconomics (Smögen) Tilburg University (Finance), Banca d'Italia, Stockholm School of Economics (Finance), Norwegian School of Economics
2022	Stockholm University, SUDSWEC Ph.D. Workshop
2021	Swedish House of Finance (10 th National Ph.D. Workshop in Finance)

HONORS, SCHOLARSHIPS AND FELLOWSHIPS

2019 (declined)	Jan Wallander and Tom Hedelius Foundation Scholarship for studies abroad
2016	Fondazione Achille e Giulia Boroli for outstanding M.Sc. dissertation

WORK EXPERIENCE

Jan-July, 2018	European Central Bank, DG Macprudential Policy and Financial Stability, trainee
Sep 2015-Aug 2016	Bocconi University, research assistant for Professors Alberto Alesina, Carlo Favero and Francesco Giavazzi
Feb-July, 2015	Bocconi University, research assistant for Professors Carlo Favero and Vincenzo Galasso
Feb-June, 2015	Bocconi University, research assistant for Associate Professor Barbara Rindi

OTHER EXPERIENCE

Aug 2016-Dec 2017	New York University, Stern School of Business, first year coursework of the Ph.D. in economics
Fall, 2014	Stockholm School of Economics, exchange student
Spring, 2013	Boston University, exchange student
Sep 2013-Aug 2014	Innocenzo Gasparini Institute for Economic Research, visiting student

SKILLS

Languages: Italian, English, Swedish (basic)
Software: Julia, R, Matlab, Git

REFERENCES

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Assistant Professor Kieran Larkin Institute for International Economic Studies Stockholm University Stockholm, 10691, Sweden +46 (0)8 674 77 15 kieran.larkin@iies.su.se	Professor Paolo Sodini Department of Finance Stockholm School of Economics Stockholm, 11160, Sweden +46 (0)8 736 91 65 paolo.sodini@hhs.se