

DAVID LOW

<https://files.nyu.edu/dcl286/public>
david.low@nyu.edu

NEW YORK UNIVERSITY

Address 19 West Fourth St., 6th Floor
New York, NY 10012-1119
Phone 434-409-6015 (cell)

Placement Director: Guillaume Fréchette guillaume.frechette@nyu.edu 212-992-8683
Graduate Administrator: Marjorie Lesser marjorie.lessner@nyu.edu 212-998-8923

Education

PhD. in Economics, New York University, 2009-2015 (expected)
Thesis Title: *Mortgage Default with Positive Equity*
M.S. in Applied Mathematics, George Washington University, 2008-2009
B.A. in Economics and Foreign Affairs, University of Virginia, 2003-2007

References

Professor Raquel Fernández
19 West Fourth St., 6th Floor
New York, NY 10012-1119
212-998-8908 (office)
raquel.fernandez@nyu.edu

Professor Gianluca Violante
19 West Fourth St., 6th Floor
New York, NY 10012-1119
212-992-9771 (office)
gianluca.violante@nyu.edu

Professor Christopher Flinn
19 West Fourth St., 6th Floor
New York, NY 10012-1119
212-998-8925 (office)
christopher.flinn@nyu.edu

Professor Mervyn King
44 West Fourth St., 7th Floor
New York, NY 10012-1126
212-998-0925 (office)
mak@mervynking.com

Teaching and Research Fields

Fields: Applied Macroeconomics, Labor Economics, Inequality

Teaching Experience

Spring, 2014 Analytical Statistics, NYU, teaching fellow for Professor Montiel Olea
Fall, 2013 Introduction to Macroeconomics, NYU, teaching fellow for Professor Marc Lieberman

Research Experience

Fall, 2013 NYU, research assistant for Professor Mervyn King
Summer, 2013 NYU, research assistant for Professor Raquel Fernández
Fall 2012 - Spring 2013 NYU, research assistant for Professor Laura Veldkamp

Professional Experience

Fall 2008 – Spring 2009 International Monetary Fund, Research Assistant
Summer, 2008 Federal Reserve Board of Governors, Research Intern

Professional Activities

Discussant: EconCon 2012, Princeton

Referee: Review of Economic Dynamics

Presentations

Summer 2013

Summer School on Socioeconomic Inequality, University of Chicago

Honors, Scholarships, and Fellowships

2009 – 2014

Henry M. MacCracken Fellowship, NYU

Research Papers

Mortgage Default with Positive Equity (Job Market Paper)

Over 80% of defaulting homeowners have positive equity in normal times. This paper develops a structural model of mortgage default in which selling a house takes time, which causes some homeowners to default even with positive equity. Calibrating the model with a standard income process, augmented with “disastrous” shocks, this paper shows that the considerable equity of many defaulters goes beyond what income shocks alone can explain. Including divorce and family size in the model allows it match the aggregate default rate and the distribution of equity among defaulters. The estimated model suggests that recourse (which allows lenders to seize the assets of underwater defaulters) is ineffective and perhaps counterproductive, consistent with empirical research.

Measuring the “World” Real Interest Rate (with Mervyn King)

NBER Working Paper No. 19887

Over the past couple of decades, and especially since the financial crisis in 2008-09, real interest rates have collapsed. For much of the past two years they have been negative, but they have been trending down for some while. But how far have real rates fallen? This note computes a measure of the “world” real interest rate and, where possible, a measure of the implied future real rate. It also makes public our estimates of the “world” real interest rate so they can be used by other researchers.

Research In Progress

Divorce and Mortgage Default (with Wilbert van der Klaauw and Donghoon Lee)

Quasi-Hyperbolic Preferences and Black-White Wealth Inequality