

LUCA REPETTO
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REFERENCES:

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EDUCATION

Ph.D. Candidate in Economics, CEMFI, expected completion date: June 2015.
Thesis Title: “Essays in applied econometrics”
Thesis Committee: Dante Amengual, Diego Puga, and Mónica Martínez-Bravo

M.Sc. in Economics and Finance, CEMFI, 2011.

Laurea Specialistica (BA) in Economics, Università di Milano – Bicocca, 2009.

Exchange student, Université Panthéon-Sorbonne, Paris 2008.

VISITING POSITIONS

Columbia University, Department of Economics. Fall 2013.

RESEARCH INTERESTS

Primary Fields: Political economy, applied econometrics.

Secondary Fields: Panel data econometrics.

WORKING PAPERS

Balance sheet disclosure and the budget cycle of Italian municipalities (Job Market Paper)

I exploit a reform requiring Italian municipalities to disclose their balance sheet before elections to study whether having more informed voters affects the political budget cycle. Investment spending in the year before the election is 29% higher than in the election year and this increase is financed with debt and sales public assets. Taking advantage of variation in the year in which the reform affected different municipalities, I estimate using difference-in-differences that the reform reduced the pre-electoral spending increase by around one-third. Moreover, local newspapers play a key role in disseminating municipal financial information to voters and I find that the effect of the reform is twice as strong in provinces with above-median local newspaper sales per capita. I interpret these results as evidence that mayors react to more informed voters by reducing spending manipulation.

Sending the pork home: birth town bias in transfers to Italian municipalities (with F. Carozzi) *Revise and Resubmit – Journal of Public Economics*

We ask whether the birthplaces of Italian members of Parliament are favoured in the allocation of central government transfers. Using a panel of municipalities for the years between 1994 and 2006, we find that municipal governments of legislators' birth towns receive larger transfers per capita. Exploiting the fact that some birth towns are outside of the district of election, we conclude that this result cannot be driven by re-election incentives. On the contrary, we show that these incentives discourage legislators from diverting resources to their birthplace. We present evidence that those transfers are a way for a politician to prepare the ground for a post-congressional career in the municipal administration.

Testing a large number of hypotheses in approximate factor models (with D. Amengual)

We propose a method to test hypotheses in approximate factor models when the number of restrictions under the null hypothesis grows with the sample size. We use a simple test statistic, based on the sums of squared residuals of the restricted and the unrestricted versions of the model, and derive its asymptotic distribution under different assumptions on the covariance structure of the error term. We show how to correct the expressions for the limiting mean and variance in the presence of both serial and cross-section correlation and provide estimators for those quantities that are easy to implement. Finally, we illustrate the small sample performance of these testing procedures through Monte Carlo simulations and apply them to reconsider Reis and Watson (2010)'s hypothesis of existence of a pure inflation factor in the US economy.

WORK IN PROGRESS

The effects of runoff elections on municipal government decisions (with L. Bouton, E. Cantoni and T. Fujiwara)

Testing for structural breaks in loadings of approximate factor models (with D. Amengual and G. Tellechea)

RELEVANT POSITIONS HELD:

Research Assistant to Professors Manuel Arellano, Laura Crespo and Pedro Mira, CEMFI, Summer 2008.

Research Assistant to Professors Dante Amengual and Enrique Sentana, CEMFI, 2009 and 2010.

TEACHING EXPERIENCE:

Teaching Assistant, Introduction to Statistics, CEMFI, 2013 and 2014.

SEMINAR AND CONFERENCE PRESENTATIONS (past and scheduled):

EC2 Conference in Econometrics, EUI (Florence), 2011.

EEA-ESEM Annual Congress, (Malaga) 2012.

European Public Choice Society Meeting, (Zurich) 2013.

Simposio de Economía, (Santander) 2013.

Columbia Econometrics PhD Colloquium, Columbia University (NYC) 2013.

Harvard Government PhD Seminar, Harvard University (Cambridge) 2014.

Barcelona GSE Summer Forum in Time-Series econometrics, UPF (Barcelona) 2014.

IAAE Conference, Queen Mary University (London) 2014.

EEA-ESEM Annual Congress, TSE (Toulouse) 2014.

European Winter Meeting of the Econometric Society, (Madrid) 2014

Simposio de Economía, (Palma de Mallorca) 2014

HONORS, FELLOWSHIPS AND GRANTS:

Wicksell Prize for the best paper presented by economists younger than 30 for the paper “Sending the Pork Home: birth town bias in transfers to Italian municipalities”, EPCS Meeting, (Zurich) 2013.

AXA Research Fund PhD Scholarship, 2011-2014.

Prize for being among the students with the highest GPA, Università di Milano-Bicocca, 2008.

Undergraduate thesis award, Banca del Credito Cooperativo (Cantù), 2008.

PROFESSIONAL ACTIVITIES AND MEMBERSHIPS:

Member of: the American Economic Association, the European Economic Association, the Econometric Society, the Association for Applied Econometrics.

LANGUAGES:

Italian (native), English (fluent), Spanish (fluent), French (basic).