Daniel Indacochea

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Citizenship: Canadian, Venezuelan

Research Interests: Economic History, Labour Economics, Applied Econometrics

Education

Ph.D. in Economics, University of Toronto — 2020 (Expected)
Committee: Aloysius Siow (co-supervisor), Shari Eli (co-supervisor), Robert McMillan

M.A. in Economics, Queen's University — 2012

B.Eng. in Electrical & Biomedical Engineering, McMaster University — 2009

Research

A Farewell to Segregation: The Effects of Racial Integration during the Korean War (Job Market Paper)

Getting out of Dodge: A Natural Experiment for Monopsony Power (In progress)

The Effects of Skewness and Kurtosis on Heteroskedasticity-Robust Bootstrap Methods

Awards and Grants

Social Sciences & Humanities Research Council Doctoral Fellowship ($20,000) — 2018
Ontario Graduate Scholarship ($15,000 × 4) — 2015 - 2017, 2019
University of Toronto Doctoral Fellowship ($12,000 × 5) — 2014 - 2018

Teaching Experience

Course Instructor, University of Toronto — 2017

- ECO 220: Quantitative Methods

Teaching Assistant, University of Toronto 2014 - present

- ECO 2408: Econometrics (for M.A./M.F.E. students)
- ECO 332: Economics of the Family
- ECO 338: Economics of Careers
- ECO 220: Quantitative Methods

Teaching Assistant, Queen's University 2011 - 2012

- ECON 310: Intermediate Microeconomics
- ECON 351: Introductory Econometrics

Teaching Assistant, McMaster University 2005 - 2009

- MATH 1A03/1AA3: Calculus for Science I & II
- MATH 1H03: Linear Algebra for Engineers
- ENG 1D04: Intro to Computer Programming for Engineers

Professional Experience

Economist, Bank of Canada 2012 - 2014

- United States Division, International Department

Conference Presentations

Annual Conference of the Canadian Economics Association (Banff)	2019
Defense & Security Workshop (Ottawa)	2018
Canadian Econometrics Study Group (Guelph)	2015

Refereeing Experience

American Economic Review, Journal of Political Economy

Languages

English (native), Spanish (fluent), French (intermediate)
Programming: Python, MATLAB, Stata, Eviews, C, C#, Java

References

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Abstracts

A Farewell to Segregation: The Effects of Racial Integration during the Korean War

(Job Market Paper)

The racial integration of the U.S. Army during the Korean War (1950-1953) is one of the largest and swiftest desegregation episodes in American history. Integration began in an effort to reinforce badly depleted all-white units, and went on to become Army-wide policy for reasons of military efficiency. The first part of this paper evaluates whether the Army achieved its goal of improving efficiency as measured by the survival rates of wounded soldiers. Using casualty data, I develop a novel wartime integration measure to quantify exogenous changes in racial integration over time and across regiments. Based on a modified difference-in-differences strategy, I find that a one standard deviation increase in regimental integration improved overall casualty survival rates by 3%. The second part of the paper explores the effects of wartime racial integration on the prejudicial attitudes of veterans after the war. To do so, I link individual soldiers to post-war social security and cemetery data using an unsupervised learning algorithm. With these linked samples, I show that a one standard deviation increase in wartime racial integration caused white veterans to live in more racially diverse neighborhoods and marry spouses with less distinctively white names. These results provide suggestive evidence that large-scale interracial contact reduces prejudice on a long-term basis.

Getting out of Dodge: A Natural Experiment for Monopsony Power

Recent theoretical models of monopsonistic competition have pointed to moving costs as an important source of monopsony power. However, there is a lack of empirical evidence to support this view. In this paper, I consider the monopsony power of one of the world's largest employers: the U.S. military. I derive exogenous variation in moving costs from the construction of new limited-access highways to nearby military bases. Under the National Interstate and Defense Highways Act, these highways were expressly built to connect military bases. I leverage variation in the timing of when these highway-base connections were constructed using a difference-in-differences empirical design. I consider how lowered transportation costs effected wages and labour supply in local labour markets surrounding military military bases. To study the effect on soldiers employed within the bases, I use data from annual Army registers to match individual officers to Army bases across the U.S. mainland. Since soldiers' wages are tied to rank, I examine the effect of reduced monopsony power on other margins such as awards and promotions.

The Effects of Skewness and Kurtosis on Heteroskedasticity-Robust Bootstrap Methods in Finite Samples

In the presence of normal error terms, I show that the second-order bootstrap (SOB) performs comparably well to the wild bootstrap in terms of size and considerably better in terms of power. However, it seems that this superior performance may be due to making use of information about the data-generating process (DGP) that practitioners seldom have in practice. Indeed, this study finds that the more the distribution of the error terms deviates from normality, the worse the SOB performs relative to the wild bootstrap. This study also shows that the choice of two-point distribution used in the wild bootstrap DGP has an enormous effect on both size and power. Quite unexpectedly, tests based on the

Mammen distribution—which take explicit account of skewness—actually perform substantially worse than those based on the symmetric Rademacher distribution, even in the presence of severe skewness and kurtosis. These results corroborate earlier findings that the Mammen distribution has little to recommend it, and that the Rademacher-based variation of the wild bootstrap is to be preferred in practice.