

LUKAS HACK

L7, 3-5 ♦ 68161 Mannheim ♦ Germany

lukas.hack@uni-mannheim.de ♦ +49 621 181-1793 ♦ <https://lukas-hack.github.io/>

RESEARCH FIELDS

Macroeconomics, Monetary Economics, Public Finance

EDUCATION

University of Mannheim - Economics, Ph.D.	<i>Sep 2019 - Present</i>
University of Vienna - Economics, M.Sc.	<i>Oct 2018 - Oct 2019</i>
University of Vienna - Economics, B.Sc.	<i>Oct 2016 - Jul 2018</i>
DHBW Ravensburg - Business & Hotel Management, B.A.	<i>Oct 2013 - Sep 2016</i>

REFERENCES

Prof. Klaus Adam University of Mannheim Department of Economics adam@uni-mannheim.de +49 621 181-1809	Prof. Eckhard Janeba University of Mannheim Department of Economics janeba@uni-mannheim.de +49 621 181-1795	Prof. Matthias Meier University of Mannheim Department of Economics m.meier@uni-mannheim.de +49 621 181-3430
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RESEARCH

Identification of Systematic Monetary Policy, *joint with Klodiana Istrefi (Banque de France) and Matthias Meier (U Mannheim)*

We propose a novel identification design to estimate the effects of systematic monetary policy on the propagation of macroeconomic shocks. The design combines (i) a time-varying measure of systematic monetary policy based on the historical composition of hawks and doves in the FOMC with (ii) an instrument that leverages the FOMC rotation of voting rights. We apply our design to government spending shocks. We find that a dovish FOMC supports the expansionary effects of higher spending by delaying policy rate hikes, leading to large fiscal multipliers. GDP does not expand when the FOMC is hawkish, but inflation expectations are contained.

Progressive Income Taxation and Inflation: The Macroeconomic Effects of Bracket Creep

Under progressive taxation, inflation drives up tax rates if the schedule is not adjusted accordingly, leading to bracket creep effects. I propose a non-parametric decomposition of changes in tax rates to measure the empirical importance of bracket creep. Studying German administrative tax records, I show that bracket creep effects are of similar importance as discretionary tax changes. Bracket creep has decreased over time due to institutional changes, but the 2022 inflation surge led to a resurgence with sizeable bracket creep effects. Theoretically, I characterize the effects on labor supply and compute a theory-consistent measure of bracket creep — the indexation gap — that is used to discipline a New Keynesian model with incomplete markets. The model is used to study the propagation of inflationary shocks that partly propagate through bracket creep.

The Systematic Origins of Monetary Policy Shocks, *joint with Klodiana Istrefi (Banque de France) and Matthias Meier (U Mannheim)*

We show that conventional identification strategies for monetary policy shocks yield contaminated shocks if systematic monetary policy varies over time. The contamination renders the (mis)identified shocks predictable by time variation in systematic monetary policy interacted with the macroeconomic variables to which monetary policy responds. Using a measure of US systematic monetary policy based on the historical composition of hawks and doves in the FOMC, we empirically confirm the prediction. We then propose a new series of monetary policy shocks that accounts for

time variation in systematic monetary policy. Our new shocks have substantially stronger effects on inflation and output.

Managerial Decision-Making and Monetary Policy, *joint with Davud Rostam-Afschar (U Mannheim)*

We construct the *Daily Business Database* measuring intended managerial decisions and managerial beliefs based on German firm surveys at daily frequency. Using this data, we study how (fast) managerial decision-making is influenced by monetary policy during the recent inflation surge. The key outcome is a daily pricing intention index that has predictive power for future inflation. The index declines strongly and significantly within three days after a monetary policy shock that raises short-term interest rates, but not after forward guidance shocks that raise future interest rates. Intended R&D investment falls persistently in response to the short-term interest rate shock, consistent with long-run scarring effects of monetary policy. Finally, we study firm heterogeneity and managerial beliefs.

Transmission of Monetary Policy in a Currency Area with Heterogeneous Households, *joint with Hannes Tuieling (U Mannheim)*

Monetary policy has heterogeneous effects on real GDP and inflation across Euro Area member states. To investigate the underlying drivers we construct a two-region currency union model with idiosyncratic risk and cross-region household heterogeneity. The model matches household-level heterogeneity in homeownership rates, mortgage types, and the prevalence of hand-to-mouth households. These features account for 70% of the cross-region differences in GDP responses to monetary policy shocks. This is primarily driven by the interplay of demand amplification through hand-to-mouth households, and demand dampening through trade effects.

WORKSHOPS AND CONFERENCES

- 2024 NBER Monetary Economics Program Spring Meeting (Chicago, scheduled), Workshop in Empirical Macroeconomics (Innsbruck, scheduled)
- 2023 Midwest Macroeconomics Meetings (Clemson), Macro Seminar at TSE (Toulouse), RGS Doctoral Conference (Bochum), NBER Heterogeneous-Agent Macro Workshop (Boston), ifo GETTSIM Workshop (Munich), 54th Annual Conference of the Money, Macro and Finance Society (Portsmouth), CRC TR2 224 Retreat (Montabaur), CRC TR 224 Young Researcher Workshop (Montabaur)
- 2022 North America Summer Meeting of the ES (Miami), 4th QMUL Economics and Finance Workshop for PhD & Post-doctoral Students (London), 2nd Sailing the Macro Workshop (Ventotene), Macro Seminar at University Carlos III (Madrid), NSEF PhD and Postdoc Workshop (Naples), 9th CRC TR 224 Young Researchers Workshop (Bonn), Mannheim-Frankfurt PhD Workshop (Frankfurt), PhD EVS (online)

TEACHING

University of Mannheim - Public Finance (B.Sc.), TA for Eckhard Janeba	<i>Spring 2022, 2023, 2024</i>
HWG Ludwigshafen - Economic policy (B.A.), Instructor	<i>Spring 2021</i>
University of Mannheim - Interm. Macroeconomics (B.Sc.), TA for Andreas Gulyas	<i>Fall 2020</i>
DHBW Ravensburg - Economic policy (B.A.), Instructor	<i>2018 - Present</i>

RESEARCH ASSISTANCE

University of Mannheim - RA for Matthias Meier	<i>2021</i>
University of Vienna - RA for Vienna Center for Experimental Economics	<i>2017-2019</i>

SCHOLARSHIPS AND ACTIVITIES

Member of CRC-TR 224 Bonn/Mannheim (C05), German Research Foundation (DFG)	<i>2022 - Present</i>
Coordinator of the ENTER network (organization of more than 20 invited seminars)	<i>2021- Present</i>
Appreciation award for the best master degree, Federal Ministry of Education (Austria)	<i>2020</i>
Ph.D. scholarship, German Research Foundation (DFG)	<i>2019-2021</i>

OTHER

Software: Matlab, Stata, Python, R, VBA, SQL

Citizenship: German

Last update: *February 2024*