# Nadim Elayan Balagué

Ph.D. Candidate at the University of Michigan

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#### **Fields**

Primary Field: Macroeconomics

Secondary Fields: International Economics and Labor Economics

#### EDUCATION

University of Michigan

Ann Arbor, Michigan Ph.D. in Economics August 2017 - Expected 2024

M.A. in Economics August 2017 - April 2019

**Barcelona School of Economics** 

Barcelona, Spain M.Sc. in International Trade, Finance and Development September 2014 - June 2015

Universitat Pompeu Fabra

Barcelona, Spain B.A. in Economics September 2010 - June 2014

# Dissertation: Hysteresis effects of business cycles

• Chapter 1: "Strategic or scarred? Disparities in college enrollment and dropout response to macroeconomic conditions". [Job Market Paper]

Recessions create enduring effects, or scars, on young individuals' careers, notably during critical periods such as high school graduation and college enrollment. I investigate how educational choices amplify or mitigate these scarring effects across income levels. Low-income face dual scarring effects from recessions: increased likelihood of dropping out of college, and enduring negative labor market entry effects. High-income strategically evade these repercussions, delaying labor market entry through timely college enrollment during economic downturns. I quantify the lifetime repercussions of experiencing a recession during these critical phases. The poorest individuals endure a 40% reduction in lifetime consumption if a recession occurs while they are enrolled in college. A recession that occurs around the time of high school graduation hinders the college attendance of the middle-to-low-income group, causing a 24% lifetime consumption loss.

• Chapter 2: "State dependent Okun's law: A selective labor hoarding approach".

In this paper I show that Okun's Law, the relationship between changes in the unemployment rate and real GDP, is state dependent: the relationship is stronger during recessions. I hypothesize that firms engaging in selective labor hoarding can explain this state dependency. If firms hoard high-skilled workers outside of recessions to economize on training costs Okun's law will be relatively flat in those times. Such labor hoarding becomes untenable during recessions, which results in a nonlinear response of unemployment. I build a dynamic model of directed search with heterogeneous firms, endogenous exit and training costs that is able to generate the nonlinear response of unemployment to changes in real GDP.

### o Chapter 3: "Global Supply Chains and regional shocks", with Jose Ramon Moran

This paper explores how regional shocks affect the formation of global supply chains, recognizing the trade-off firms face when choosing the sourcing location of their inputs. On the one hand, sourcing from similar countries entails a lower risk of being exposed to regional shocks but on the other, it implies firms are less able to take advantage of the pattern of comparative advantage across the World. Using customs data on Mexican firms we document how firms weigh this trade-off, whether there is sectoral heterogeneity in this behavior, and study whether this heterogeneity is the result of sector-specific input complementarity. We build a model of global sourcing that accounts for comparative advantage being driven by geographical location and exposure to regional shocks. With our model, we explore the effects that an episode of increased regional risk, namely the COVID-19 global pandemic, had on firms' global supply chain formation.

## RESEARCH EXPERIENCE

<b>Ann Arbor, Michigan</b> Fall 2021
11111 2021
Summer 2019
Summer 2018
Summer 2018
Barcelona, Spain
Winter 2015

Teaching Experience	
University of Michigan, Department of Economics Head Graduate Student Instructor (Introduction to Macroeconomics)	<b>Ann Arbor, Michigan</b> <i>Fall</i> 2022-2023
Graduate Student Instructor (Introduction to Macroeconomics)	Fall 2018-2021 and Winter 2019
Graduate Student Instructor (Introduction to Microeconomics)	Winter 2020-2021, and 2023
Graduate Student Instructor (Intermediate Macroeconomics)	Winter 2022

#### Professional Experience

**IESE Business School** 

Research assistant

Barcelona, Spain

September 2016 - June 2017

CaixaBank Research

Intern in the Macroeconomics department

Barcelona, Spain

*September 2015 - June 2016* 

# Skills, Languages and Citizenship

o Computing: Stata, Matlab, Python

• Languages: Catalan and Spanish (Native). English (Advanced)

• Citizenship: Spanish.

#### REFERENCES

• Pablo Ottonello (co-chair)

Associate Professor Department of Economics University of Maryland ottonell@umd.edu, **Website** 

• Gabriel Ehrlich

Director Research Seminar in Quantitative Economics University of Michigan gehrlich@umich.edu, **Website**  • Dmitriy Stolyarov (co-chair)

Professor
Department of Economics
University of Michigan
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• Adam Stevenson (teaching)

Lecturer
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University of Michigan
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