Georgios Nikolakoudis

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Education

2019- Ph.D. Candidate in Economics – Princeton University
Fields: macroeconomics, finance, international trade

2018-2019 MPhil in Economic Research – King's College, University of Cambridge
Distinction, Stevenson Prize for top performance

2015-2018 BA (Hons.) Economics – King's College, University of Cambridge
Triple First-Class Honours, Adam Smith Prize for Best Dissertation

Working Papers

1. *"Heterogeneous Deleveraging"*
I empirically show that different types of houses experience substantially different rates of return over nationwide housing cycles, even within narrow geographical areas. In order to understand the implications of this rate of return heterogeneity for the propagation of macroeconomic shocks, I present a dynamic assignment model in which housing is segmented by various quality tiers. I show that the model's unique equilibrium features unidirectional propagation of shocks within the housing market – changes in households' valuation of low-end homes have spill-over effects to house prices across the entire quality spectrum. I characterize the strength of these spill-over effects analytically, examine how they shape the cross-sectional response of house prices to changes in the economic environment, and show that they can lead to an amplification channel for the response of aggregate consumption expenditures to changes in house prices. In the data, consistent with the theory, shocks that affect high-income households only induce changes in the prices of high-end homes, whereas shocks that affect low-income households affect house prices in the entire market.

Works in Progress

1. *"Informational Gravity" (with Elena Aguilar)*
We present a model of exporter dynamics in which aggregate uncertainty is endogenous to the exporting decisions of firms within a given market. Exporting firms provide an imperfect signal regarding the returns to exporting to rival firms within the same industry. This creates an informational externality arising through the extensive margin that can lead to informational "cascades" and multiple stochastic steady states in aggregate exports. The presence of this externality creates additional dynamic gains from the reduction in trade costs, which amplify the canonical static gains. The magnitude of these dynamic gains are decreasing in firm productivity dispersion and increasing in the (industry-level) elasticity of substitution. Our analysis suggests that temporary increases in trade costs can result in secular declines in aggregate exports through a permanent increase in firm-level uncertainty. We leverage text-based measures of uncertainty for OECD countries to test the theory.

2. *"Rational Inattention: Signals and Precision"*
This paper analyzes the continuous action rational inattention problem with binary states. I show that it is generally never optimal for an agent to acquire linearly dependent signals, which as a corollary implies that an agent will never choose more actions than there are states of the world. I demonstrate that the agent's optimal signal structure can be completely characterized through a single, univariate function. An intuitive condition on local convexity on this function determines the entire set of priors for which strictly positive information acquisition is optimal. Finally, I characterize state-dependent precision in information choice. In the widely used case of quadratic utility, I show that signal precision is invariant to the realization of the underlying state, thus providing a counterpart to the canonical Quadratic-Gaussian case when states are binary (Jung et al., 2019). I show that a necessary condition for state-dependent signal precision is variation in the convexity of marginal utility along the action space.

Awards and Honors

2019-2022 Princeton University Graduate Fellowship
2019 Stevenson Prize for Top Performance (MPhil in Economic Research, University of Cambridge)
2018 Adam Smith Prize for Best Undergraduate Dissertation (Economics Tripos, University of Cambridge)
2017 Cambridge Full Blue (swimming)
2016/17/18 Scholar of King's College, Cambridge
2015 Joan Robinson Studentship (King's College, Cambridge)

Other Professional Acitivities

2022 Visiting PhD Student, European Central Bank

2021 Research Assistant to Prof. Gianluca Violante (Princeton)
Developed codes to efficiently solve macroeconomic models with heterogeneous agents in Julia.
Publicly available on GitHub: `https://github.com/nikolakou/RA_HetAgents`

2020 Research Assistant to Prof. Markus Brunnermeier (Princeton)
Helped organize the Princeton Webinar Series on COVID Economics
Collected, filed, and answered questions in real-time in a webinar with 500+ participants.

2018-2019 Research Assistant to Prof. Vasco Carvalho (Cambridge)
Used text-embeddings ML techniques to investigate firm network formation.

Teaching

Spring 2022 *ECO 504* (with Professors Gianluca Violante and Nobu Kiyotaki). Evaluation: 4.7/5 (dept. average: 4.0/5)
2021-2022 *Junior Independent Work* (with Dr. Silvia Weyerbrock). Evaluation: 4.8/5 (dept. average: 4.5/5)

Skills

Languages – Greek (native), English (fluent), German (C1)
Programming – Julia, Python, Matlab, Stata