

PETER DEFFEBACH

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EDUCATION

PhD, Economics, Boston University, Boston, MA

Expected 2025

Dissertation title: Labor Market Churn, Development, and Quits: Evidence from Urban Ghana

Main advisor: David Lagakos

Dissertation Committee: David Lagakos, Yuhei Miyauchi, and Masao Fukui

AB, Economics, Princeton University, Princeton, NJ

2017

FIELDS OF INTEREST

Macroeconomics of Development, Urban Economics, Labor Economics

PUBLICATIONS

Elwyn Davies, Peter Deffebach, Leonardo Iacovone, and David McKenzie. Training microentrepreneurs over zoom: Experimental evidence from Mexico. *Journal of Development Economics*, 167, 2024. URL <https://doi.org/10.1016/j.jdeveco.2023.103244>

WORKING PAPERS

Subsistence Wage Employment: Labor Market Dynamics in Urban Ghana (Job Market Paper)

WORKS IN PROGRESS

Economic Development and the Spatial Distribution of Income in Cities, with David Lagakos, Yuhei Miyauchi, and Eiji Yamada

FELLOWSHIPS AND AWARDS

International Growth Centre (IGC) Small Research Grant (£20,000)

2022

Structural Change and Economic Growth (STEG) Small Research Grant (£15,000)

2023

International Growth Centre (IGC) Full Research Grant (£44,000)

2023

REFEREEING

Journal of Development Economics

Review of Economic Dynamics

TEACHING EXPERIENCE

Teaching Assistant, Introduction to Mathematical and Computational Economics (Graduate), Department of Economics, Boston University

2021, 2022

LANGUAGES

English (native), Spanish (fluent)

COMPUTER SKILLS

Julia, R, Stata, GIS, Matlab, Python

CITIZENSHIP

USA

REFERENCES

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Quits in a Low-Income Urban Labor Market: Evidence from Ghana (Job Market Paper)

The share of workers in wage employment is low in developing countries. Recent research argues high exit rates out of wage employment, rather than low entry rates, drive low levels of wage work overall. I conduct a panel survey of job-seekers and a survey of firms in urban Ghana to explore the causes of elevated exit rates out of wage work in low-income labor markets. I document that while entry rates into employment are equal between the US and Ghana, high exit rates mean Ghanaian job-seekers are only half as likely to be in wage work in the long run. In Ghana, I find exits are dominated by quits while layoffs play a negligible role, in strong contrast with the USA, where layoffs dominate and quits are infrequent. I examine, and reject, informational frictions as a key driver of high quit rates and show self-employment serves at most a moderate role. I show quits are most common among individuals who at baseline are temporarily without flows of non-wage income. To quantify the contribution of changing non-wage income in driving quitting behavior, I build a model of job search in which workers face uncertain non-wage income. In the model, workers accept and quit jobs to cope with temporary losses in income. When calibrated to match the experience of job-seekers in both the USA and Ghana, my model attributes 20% of the difference in exit rates to this mechanism. I conclude in poor countries, wage jobs can act as insurance against risk outside the wage sector.

Economic Development and the Spatial Distribution of Income in Cities with David Lagakos, Yuhei Miyauchi, Eiji Yamada

We draw on new granular data from cities around the world to study how the spatial distribution of income within cities varies with development. We document that in less-developed countries, average incomes of urban residents decline monotonically in distance to the city center, whereas income-distance gradients are flat or increasing in developed economies. We also show that urban neighborhoods with natural amenities – in hills and near rivers – are poorer than average in less-developed countries and richer than average in developed ones. We hypothesize that these patterns arise due to the differences in the provision of residential and transportation infrastructure within cities. Using a quantitative urban model, we show that observed differences in residential and transportation infrastructure help explain a significant fraction of how the spatial income distribution within cities varies with income per capita.