

# Gustavo Pereira

917-291-1257 | [p.gustavo@columbia.edu](mailto:p.gustavo@columbia.edu) | [pereiragc.github.io](https://pereiragc.github.io)

## Placement chairs:

Donald Davis, [drd28@columbia.edu](mailto:drd28@columbia.edu)  
Suresh Naidu, [sn2430@columbia.edu](mailto:sn2430@columbia.edu)

## Placement assistant:

Amy Devine, [aed2152@columbia.edu](mailto:aed2152@columbia.edu)  
(212) 854-6881

## EDUCATION

---

### Ph.D. in Economics, Columbia University

Aug. 2015 – May 2021 (expected)

*Fields: Macroeconomics, Econometrics. Advisor: Prof. Martin Uribe.*

### M.A. in Economics, Fundação Getulio Vargas

Jan. 2013 – Apr. 2015

*Field: Finance. Advisor: Prof. Caio Almeida.*

### B.A. in Economics, Fundação Getulio Vargas

Jan. 2008 – Dec. 2012

## ONGOING RESEARCH

---

- Risk Premia, Informality, and the Business Cycle

*Job Market Paper. Joint with Livio Maya.*

The share of informal jobs increases in downturns and decreases in booms. We provide a novel channel to explain this stylized fact. The key insight is that the breakdown of the workforce into formal and informal jobs over the business cycle behaves like the weights of an aggregate portfolio. Hiring a worker formally has advantages in terms of productivity, but is inherently risky due to severance payment requirements that prevent the termination of labor contracts that become unprofitable during recessions. The fact that the share of informal jobs increases in downturns reflects portfolio rebalancing towards the less risky asset: informal labor. We embed the risk structures of formal and informal jobs in a search and matching model with aggregate uncertainty, which we calibrate with data from Brazil. We find that a *countercyclical price of risk* is an essential ingredient for producing predictions about the cyclicity of labor market variables in line with the data. We simulate a reduction in severance payments in economies with different degrees of time variation in the price of risk (TVPR). We find substantial differences in the sensitivity of formalization to the reduction in the severance requirements across specifications. Moreover, reducing severance payments reduces unemployment volatility when the TVPR degree is low, and increases for sufficiently high TVPR. The results show that correctly specifying TVPR is consequential for policy analysis.

- The Repression of Informal Labor: Aggregate Effects and Transition Dynamics

*Joint with Livio Maya.*

This paper studies the effects of public policies designed to fight informal labor activity. We propose a general equilibrium model with heterogeneous agents in which the income process follows from a search model. We calibrate it to generate stylized income/informality facts from Brazilian household-level data. Firms opt between offering formal or informal contracts and have heterogeneous ability to operate informally. Such heterogeneity leads some productive firms to choose informal contracts. It allows the model to produce similar income averages among high-income workers in the formal and informal sector, a property we find in the data. We then use the model to simulate the economy's response to the repression of informal labor activity by the government. Our simulation suggests that short and long-run impacts differ. General equilibrium effects matter for both. In the long run, households' welfare and average firm productivity improve, and unemployment decreases. However, in the short run, reduced aggregate savings leads to a 4% increase in interest rates and a 2.5% increase in the unemployment rate. We also show that if the government fails to transfer back to households the additional tax revenue, these effects hold in the long run as well. In addition, if the policy is anticipated by economic agents, then output declines and informality increases prior to implementation. In all cases, households with greater wealth experience larger welfare gains.

## PUBLICATIONS

---

- Wealth Redistribution after Exchange Rate Devaluations, with Andres Drenik and Diego Perez.  
*American Economic Association Papers and Proceedings (2018) Vol. 108, pp. 552-556.*

## EXPERIENCE

---

### Research Assistant

2016-2017

*Profs. Andres Drenik and Diego Perez.*

- Conducted exploratory analysis on large price database from biggest e-trade platform in Latin America.
- Analysed patterns in currency denomination of different types of goods.

### Research Assistant

2017-2018

*Profs. François Gerard and Joana Naritomi.*

- Cleaned large, unstructured administrative database from a Brazilian state tax authority.
- Analyzed the effects of a particular type of tax exemption on economic outcomes.

## TECHNICAL SKILLS

---

### Programming

- *Advanced:* Julia, MATLAB.
- *Intermediate:* R (data.table, ggplot2).
- *Basic:* Python (numpy, numba).

### Tools

- Git, Emacs, Linux shell, L<sup>A</sup>T<sub>E</sub>X, MS Office.

## SELECTED TEACHING

---

### Mathematical Methods for Economists (Ph.D level)

Fall 2017

*Prof. Jushan Bai.*

- Topics: introduction to topology, functional analysis and dynamical systems.

### Introduction to Econometrics (Ph.D. level)

Fall 2018/19

*Profs. Montiel Olea and Cox (2018); Montiel Olea and Lee (2019).*

- Topics: statistical decision theory, estimation and inference, LASSO, bootstrap, multiple testing.

### Macroeconomic Analysis II (M.A. level)

Spring 2018/19

*Prof. Irasema Alonso.*

- Topics: growth models, real business cycles, labor market frictions, asset pricing, bank runs.

## PERSONAL INFORMATION

---

**Nationality:** Brazilian, Italian.

**Marital status:** Single.

**Languages:** Portuguese (native), English (fluent), Spanish (basic).

## REFERENCES

---

### Martin Uribe

Professor of Economics  
Department of Economics  
Columbia University  
mu2166@columbia.edu  
+1 (212) 851-4008

### Andres Drenik

Assistant Professor of Economics  
Department of Economics  
Columbia University  
ad3376@columbia.edu  
+1 (650) 888-8349

### Émilien Gouin-Bonenfant

Assistant Professor of Economics  
Department of Economics  
Columbia University  
eg3041@columbia.edu