

November 15, 2023

Philipp Hochmuth

[phhoc.github.io](https://github.com/phhoc)

philipp.hochmuth@iies.su.se

**INSTITUTE FOR INTERNATIONAL ECONOMIC STUDIES (IIES)
STOCKHOLM UNIVERSITY**

Placement Officer: Tessa Bold

tessa.bold@iies.su.se

+46 8 16 22 25

Placement Officer: Laia Navarro-Sola

laia.navarrosola@iies.su.se

+46 8 674 77 11

OFFICE CONTACT INFORMATION

Institute for International Economic Studies
Stockholm University
106 92, Stockholm Sweden

HOME CONTACT INFORMATION

Näckrosvägen 39, Lgh. 1202
169 37 Solna, Sweden
+46 76 429 45 24

PERSONAL INFORMATION:

Date of birth: September 17, 1992

Citizenship: Austrian

UNDERGRADUATE STUDIES:

BSc., Economics, Johannes Kepler University, 2015

MASTERS LEVEL WORK:

MSc, Economics, Stockholm University, 2017

DOCTORAL STUDIES:

IIES, Stockholm University, 2018 to present

Thesis Title: “*Essays on Macroeconomics*”

Expected Completion Date: June 2024

Thesis Committee and References:

Professor Per Krusell

IIES

per.krusell@iies.su.se

+46 8 16 30 73

Professor Kurt Mitman

IIES & CEMFI

kurt.mitman@iies.su.se

+46 8 16 30 57

Professor Timo Boppart

IIES & University of St. Gallen

timo.boppart@iies.su.se

+46 8 16 35 52

Assistant Professor Kieran Larkin

IIES

kieran.larkin@iies.su.se

+46 8 674 77 15

RESEARCH FIELDS:

Primary fields: Macroeconomics, Labor economics

Secondary fields: Inflation, Nonhomothetic Preferences, Monetary Economics, Entrepreneurship

TEACHING EXPERIENCE:

Spring 2022

Monetary Economics, Ph.D. level, Stockholm University, teaching assistant for Daria Finocchiaro and Andreas Westermark (both Riksbank)

Spring 2021, 2022

Econometrics II, Ph.D. level, Stockholm University, teaching assistant for Konrad Burchardi, Arash Nekoei and David Schönholzer

Spring 2020	Macroeconomics I, Ph.D. level, Stockholm University, teaching assistant for Alexandre Kohlhas
Spring 2017	Labour Economics and Wage Setting Theory, Masters level, Stockholm University, teaching assistant for Lars Calmfors

RESEARCH EXPERIENCE AND OTHER EMPLOYMENT:

Jul. 2018 – Aug. 2020	Institute for International Economic Studies, Stockholm University, research assistant for Timo Boppart, Per Krusell and Kurt Mitman
Aug. 2017 – Jun. 2018	European Central Bank, Directorate General Research, Frankfurt, research assistant (trainee) for Oreste Tristani, Philipp Hartmann and Luc Laeven
Summer 2016	ifo Economic Research Institute, Munich, summer intern
Jan. – May 2015	Johannes Kepler University, Linz, research assistant for René Böheim and Thomas

PROFESSIONAL ACTIVITIES

2023	Referee for <i>Empirica: Journal of European Economics</i>
Sep. 2020 – Jun. 2022	Organizer of the “Macro Group”, internal seminar series at the Institute for International Economic Studies

HONORS, SCHOLARSHIPS, AND FELLOWSHIPS:

2019 (postponed)	Jan Wallander and Tom Hedelius Foundation Scholarship for studies abroad
------------------	--

Skills:

Languages: German, English, Swedish
Software: Python, R, Matlab, Stata

RESEARCH PAPERS:

“Declining Hours Worked Among Entrepreneurs” (Job Market Paper)

In this paper I show that, over the last 35 years, hours worked by entrepreneurs have fallen substantially: by five hours more than for workers. This decline accounts for the bulk of the fall in total hours worked and is present in all available sub-groups (gender, age, education, number of children, occupation or industry). It is robust to adjusting for compositional effects and occurred without noticeable changes in the relative hourly income of entrepreneurs. The decline originates from the top of the hours distribution: the share of entrepreneurs working many hours has dropped significantly. I interpret these facts using a Roy model of occupational choice, augmented with an intensive labor supply margin. The model allows the marginal return of working an additional hour to depend on the level of hours. I estimate the model at two points in time and find that a fall in the relative marginal return at higher hours worked is key for explaining the drop in hours and the drop in the share of entrepreneurs. I show that changes in the market structure of the goods or services that entrepreneurs sell can account for this.

“A Nonhomothetic Price Index and Cost-of-Living Inequality”

joint with Markus Pettersson and Christoffer Jessen Weissert

We derive a nonhomothetic generalization of all superlative price indices and document cost-of-living inequality in the United States. When necessities and luxuries are separable in the expenditure function, this generalization eliminates the need to estimate a complete demand model. Using CEX-CPI data from 1995 to 2020, we find no differences in average inflation rates across the expenditure distribution, but 2.5 times higher inflation volatility for the bottom decile than the top decile, stemming from a larger exposure to food, gasoline, and utilities. Our analysis challenges inequality measurements using group-specific homothetic price indices and suggests an income-effect bias in these estimations.

“A Distributional PCE Price Index From Aggregate Data”

joint with Markus Pettersson and Christoffer Jessen Weissert

This paper proposes a method to measure individual and aggregate changes in the cost of living when consumer behavior is nonhomothetic and microdata on consumption expenditures are not available. Aggregate prices and expenditure shares together with a single cross-sectional distribution of expenditures are sufficient to create a

distribution of nonhomothetic cost-of-living indices with this approach. The cost-of-living indices derive from PIGL preferences, generalize the Törnqvist price index, and only contain two unknown parameters. Because PIGL preferences aggregate consistently, these parameters can be identified from aggregate data. Using US Personal Consumption Expenditure (PCE) data, the method is applied to obtain a nonhomothetic PCE price index covering 72 product groups. This index reveals a 0.5–1.2 percentage point gap in annual inflation rates between the poorest and richest ten percents throughout 2022, and a similar 0.2 percentage point gap on average since 1988, thus suggesting that poorer households are hit harder both in the ongoing inflation surge and in the long run.

RESEARCH PAPERS IN PROGRESS:

“Welfare and Policy Implications of Energy Shocks”
joint with Per Krusell and Kurt Mitman