

Philipp Hochmuth

Contact information

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Personal information

CITIZENSHIP: Austria
 DATE OF BIRTH: September 17, 1992

CURRENT POSITION

Oesterreichische Nationalbank , Vienna Economist in the Monetary Policy Section	Jul. 2024 – Present
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EDUCATION

Stockholm University , Institute for International Economic Studies (IIES) Ph.D. in ECONOMICS	Sep. 2018 – Jun. 2024
Stockholm University MSc. in ECONOMICS	Sep. 2015 – Jun. 2017
Johannes Kepler University , Linz/Austria BSc. in BUSINESS AND ECONOMICS	Oct. 2012 – Jul. 2015

RESEARCH INTERESTS

Macroeconomics, Inflation, Nonhomothetic Preferences, Monetary Economics, Labor economics, Entrepreneurship

TEACHING EXPERIENCE

Monetary Economics , Ph.D. level Stockholm University, teaching assistant for Daria Finocchiaro, Andreas Westermark (both Riksbank).	Spring 2022
Econometrics II , Ph.D. level Stockholm University, teaching assistant for Konrad Burchardi, Arash Nekoei and David Schönholzer.	Spring 2020 and Spring 2021
Macroeconomics I , Ph.D. level Stockholm University, teaching assistant for Alexandre Kohlhas.	Spring 2020
Labour Economics and Wage Setting Theory , Masters level Stockholm University, teaching assistant for Lars Calmfors.	Spring 2017

RESEARCH EXPERIENCE AND OTHER EMPLOYMENT

Institute for International Economic Studies , Stockholm Research assistant to Timo Boppart, Per Krusell and Kurt Mitman.	Jul. 2018 – Aug. 2020
European Central Bank, Directorate General Research , Frankfurt Research assistant (traineeship) supporting the senior management Oreste Tristani, Philipp Hartmann and Luc Laeven.	Aug. 2017 – Jun. 2018
ifo Economic Research Institute , Munich Summer intern supporting Bastian Schulz.	Summer 2016
Johannes Kepler University , Linz/Austria Research assistant to René Böheim and Thomas Leoni.	Jan. – May 2015

PROFESSIONAL ACTIVITIES

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

SKILLS

Programming: Python, R, Matlab, Stata.
Languages: German, English, Swedish.

PRESENTATIONS

Technical University Vienna	2025
Uppsala University, University of Exeter, Sveriges Riksbank, Oesterreichische Nationalbank, EALE Conference in Bergen, Vienna Macroeconomic Workshop (Vienna Macro Café), Macro Breakfast at the University of Vienna, Econometric Society Winter Meeting, 6th Winter Meeting of the NOeG (Austrian Economic Association)	2024
2nd PhD Workshop in Money and Finance (Sveriges Riksbank), PSE-CEPR Policy Forum, 5th Winter Meeting of the NOeG (Austrian Economic Association)	2023
Swedish Conference in Economics, Annual Meeting of the NOeG (Austrian Economic Association), 14th Nordic Summer Symposium in Macroeconomics	2022
Stockholm-Uppsala Doctoral Student Workshop in Economics	2021, 2023

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 Inflation Heterogeneity

(with Markus Pettersson and Christoffer 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

(with Markus Pettersson and Christoffer 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 one unknown parameter. Because PIGL preferences aggregate consistently, this parameter can be identified from aggregate data. Using US Personal Consumption Expenditure (PCE) data, we apply the method to obtain a nonhomothetic PCE price index covering 71 product groups for the period 1959 to 2023. This index reveals a 0.37 percentage point gap in average annual inflation rates between the poorest and richest ten percent since 1959 and a 1.8 percentage point gap throughout 2022, thus suggesting that poorer households are hit harder both in the long run and in the recent inflation surge.

RESEARCH PAPERS IN PROGRESS

Distributional Consequences of Becoming Climate-Neutral

(with Per Krusell and Kurt Mitman)

This paper investigates the medium- and long-run welfare implications across the wealth and income distribution in a model economy that aims to become carbon neutral. The general equilibrium model features two agents with nonhomothetic preferences and energy is used in household consumption as well as a complementary input in production. Energy can be produced with a technology using fossil fuels or an emission-free technology. The introduction of a carbon tax achieves the necessary reduction in emissions and the economy transitions to a new carbon-neutral steady state. This experiment is comparable to the plan set out in the EU commission's Fit-for-55 package. The paper then analyzes the distributional consequences along the transition path and in the new steady state.

A Nonhomothetic Real Wage Deflator

(with Saman Darougheh, Markus Pettersson and Márcia Silva-Pereira)

We develop a nonhomothetic deflator of wages based on the premise that marginal utility of leisure and real consumption are equivalized over time, which yields wage a deflator that depends on a worker's total household expenditure. We apply our wage deflator to estimate nonhomothetic real wages for the recent high-inflation episode in the US. We show that standard CPI deflators yield remarkably similar conclusions about real wage dynamics during 2020-2023 as our nonhomothetic wage deflator, despite substantial heterogeneity in inflation across the income distribution. This equivalence arises from a poor correlation between hourly wage and total family income - due to weak assortative mating, many low-wage workers belong to high-income households.