SIDHARTH MOKTAN

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EDUCATION

The London School of Economics & Political Science, London, UK
PhD Student in Economics, August 2021–
M.Res., *distinction* in Economics, August 2019–August 2021

The Colorado College, Colorado Springs, CO USA
B.A., *magna cum laude*, distinction in Mathematical Economics, May 2015

RESEARCH INTERESTS

Real Estate and Urban Economics, Household Finance, Industrial Organization

JOB MARKET PAPER

"An Empirical Equilibrium Model of the Markets for Rental and Owner-Occupied Housing"

Abstract: A large and growing share of households rent from private landlords. I empirically analyze how landlord supply constraints affect welfare and housing affordability by influencing rents, prices, and the allocation of houses between the rental and owner-occupied sectors in the UK in the presence of household borrowing constraints. I combine several novel datasets of UK property markets and document three key facts that suggest the impact of landlord supply constraints on the housing market: (i) housing quality is segmented between the rental and owner-occupied sectors, with rentals generally offering lower quality, (ii) cities with more pronounced quality segmentation tend to have higher rent-to-price ratios, and (iii) in more segmented cities landlords have fewer assets. To quantify the effect of landlord supply constraints on the housing market, I develop and estimate a two-sided assignment model which features households' optimal choice of housing quality and tenure (i.e., the choice to rent or own) in the presence of borrowing constraints, landlords' profit-maximizing choice of quality to rent out, and endogenous quality segmentation and rent-to-price ratios which are determined in equilibrium. I conduct counterfactual experiments to show that differences in landlord supply constraints explain much of the variation in quality segmentation and rent-to-price ratios observed across cities.

WORKING PAPER

"The Anatomy of a Shock to Residential Real Estate" (with Guin, B., and Clark, L.)

WORK IN PROGRESS

"Learning When Young: The Decline in Returns to Working in Large Cities with Age of Experience"

Abstract: It is well-documented that much of the benefit from working in large cities is due to dynamic benefits from greater skill accumulation. This paper considers differences in these dynamic payoffs by the age at which the experience is accumulated. Using an administrative longitudinal employer-employee matched dataset covering 1% of full-time workers in the UK from 1980 to 2020, I find that the dynamic returns to working in big cities like London decline with the age at which the experience is accumulated in big cities. The age gradient in returns to experience persists after including worker and city fixed effects, as well as fixed effects for the age and city of pay. These results help explain why net migration into large cities is positive at younger ages and negative for older workers.

"The Impact of Local Housing Markets on Worker Sorting Across Local Labour Markets"

Abstract:Young workers stand to gain the most from working in large cities. However, they are least-able to own homes in large cities due to borrowing constraints. This paper studies how the rental market facilitates labor market sorting by resolving the mismatch between the benefits of living/working in large cities and the resources required to do so. I am currently developing a spatial sorting model in which workers of varying ages and abilities with heterogeneous endowments choose the optimal city to reside and work in given moving costs. Cities differ in terms of: (i) the dynamic labor market returns they provide to workers of varying ages and abilities; and (ii) the quality of housing accessible through renting and owning for workers with varying income and assets. Cross-city differences in housing and labor markets induces sorting of workers across cities based on age, ability and endowments. The model will be used to quantify how differences across and within local housing markets impact the sorting of workers to opportunity in different cities. Additionally the model will be used to study the effect on sorting of homeownership borrrowing constraints and housing policies which impact the functioning of the rental sector.

"Welfare and Distributional Consequences of Constrained College Admissions Under Uncertainty" (with Rose, R.)

Abstract:In the UK, college applicants can apply to a maximum of five courses using predicted high school grades. However, the final admission decision is contingent on realized high school grades which are unknown at the time of application. This paper studies how the uncertainty introduced by the reliance on both predicted and realized grades at different stages of the application process impacts students' choices. We develop a model in which students with varying levels of risk aversion choose the portfolio of university courses to apply to given their predicted grades. Risk aversion impacts the mix of safety, reach, and target schools in the portfolio. We estimate the model using rich administrative data covering the universe of college applications and admission decisions in the UK starting from 2011. The estimation allows the distribution of risk aversion to vary by observed student characteristics. This allows us to explore the role of uncertainty and risk aversion in generating heterogeneity in college choices by race, gender, and socioeconomic status. To quantify the effect of uncertainty on college choice, we consider two counterfactuals: (i) lifting the cap on the number of applications; and (ii) switching entirely to predicted grades.

ACADEMIC PUBLICATIONS

"Risk Differentials between Green and Brown Assets" (with Guin, B., and Korhonen, P), April 2022. *Economics Letters*

"Publishing and Promotion in Economics: The Tyranny of the Top Five." (with Heckman, J. J.), June 2020. *Journal of Economic Literature*

"Evaluation of the Reggio Approach to Early Education." (with Heckman, J. J., Biroli, P., Del Boca, D., Heckman, L. P., Koh, Y. K., Kuperman, S., Pronzato, C. D., and Ziff, A. L.), 2017. *Research in Economics*

POLICY WRITEUPS & BOOK CHAPTERS

"Publishing and Promotion in Economics: The Tyranny of the Top Five." (with Heckman, J. J.)

- VoxEU, 2018
- INET, 2018
- in Galiani, S. & Panizza, U. (2020) (ed.) *Publishing and Measuring Success in Economics*. CEPR Press. 23–32.

MEDIA COVERAGE OF RESEARCH

The Economist, AEA Chart of the Week, The Chronicle of Higher Education, Quartz, IZA Newsroom, The Bureau of Labor Statistics

REFEREE SERVICE

Journal of Political Economy, Journal of Urban Economics, Review of Industrial Organization, Science Advances, Journal of Economic Surveys

HONORS, SCHOLARSHIPS & FELLOWSHIPS

2019	LSE Economics Scholarship (five years)
2015	Ray O. Werner award for most outstanding senior thesis in Economics, Colorado College
2015	Bruni award for research that shows promise to be published in a peer-reviewed journal, Colorado College
2015	Robert Pizzi award for outstanding commitment to academic success and community service, Colorado College

RELEVANT EXPERIENCE

Aug 2021–Feb 2024	PhD Intern Prudential Policy Directorate, Bank of England
2016–2019	Predoctoral Fellow (*Advisor*: James J. Heckman) Center for the Economics of Human Development, The University of Chicago, USA

OTHER WORK EXPERIENCE

2015–2016	Corporate Finance Analyst, DaVita Healthcare Partners, Denver, CO USA
Summer 2014	Summer Analyst Intern, Analysis Group, Denver, CO USA

TEACHING EXPERIENCE

Graduate Teaching Assistant, London School of Economics

Sept–Dec 2020	Executive MPA: Public Policy in Practice (PP4G9E)
Summer 2022	Executive MPA: Introduction to Statistics
Sept 2020–June 2024	Public Finance (EC325)
Jan 2024	Executive MPA: Empirical Methods for Public Policy (PP455E)

Colorado College

2013–2015	Peer Tutor, Quantitative Reasoning Center
2012–2015	Lab Assistant and Grader, Economics Department

SOFTWARE

Julia, Stata, EViews, MATLAB, Python, LaTeX, Microsoft Office, Git/GitHub