Research Statement

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My research lies at the intersection of macroeconomics, labor, monetary, and environmental economics, using structural models and modern econometric techniques to explore questions that are both academically significant and policy relevant. I am especially interested in labor market reforms within dynamic general equilibrium frameworks, the role of monetary institutions, and the interaction between financial frictions and inequality.

My research agenda revolves around three themes: (1) exploring how labor market reforms influence macroeconomic fluctuations, (2) reevaluating core monetary theories using improved data and methods, and (3) examining how financial frictions and disparities in credit markets impact entrepreneurship and productivity.

"Labor Market Reform in the Business Cycle Framework" (Job Market Paper, Submitted)
Most research on labor market reform relies on reduced-form methods. My paper integrates reform into a real business cycle model with labor search, using a comprehensive Labor Market Freedom Index (LMFI) to capture regulation. Reform enters as a shock to the LMFI, transmitted through two channels: vacancy posting costs and matching efficiency. The quantitative analysis proceeds in two steps: (i) calibrating the model to U.S. data, and (ii) simulating impulse responses. The findings indicate that vacancy responses depend heavily on the channel. Through posting costs, vacancies increase; through matching efficiency, vacancies decrease. When both channels are active, the posting-cost channel prevails, resulting in a net positive effect. Unemployment consistently decreases, though with different dynamic patterns across models.

Building on the analysis, I use a DSGE model to examine how LMFI persistence influences transmission. High persistence enhances negative responses via the matching efficiency channel, while low persistence favors positive vacancy responses. Evidence from VAR and panel VAR analyses with U.S. and OECD data supports the model's dual-channel mechanism.

"Revisiting the Quantity Theory of Money: Measurement and Filtering Perspectives" (Submitted)
This paper revisits Lucas' (1980) conclusion using updated data and methods. I incorporate Divisia and Fisher-Ideal money aggregates, use the 10-year Treasury rate to better measure inflation expectations, and test various filtering techniques, including Hamilton (2018). I also replace CPI with the GDP deflator to reduce measurement bias.

This re-examination emphasizes key findings: First, money supply measures and filtering techniques are crucial when analyzing the relationships between money growth, inflation, and interest rates. Second, regardless of the sample period, the results consistently show that Divisia M2 and MZM, when analyzed with the Hamilton filtering technique, closely align with the QTM. This consistency highlights the theoretical and empirical validity of these measures in capturing the long-term relationships between money growth, inflation, and interest rates. Divisia M2 and MZM are designed to account for the liquidity and substitutability of various monetary components, providing a more accurate view of the role of monetary aggregates in the economy. The Hamilton filter, by effectively isolating long-term trends while minimizing distortions common with traditional filters, improves these measures' ability to reveal fundamental economic relationships.

Future Research

"Labor Market Reform and the Steady-state"
In this paper, I analyze how labor market reform performs under different economic conditions. Using a New Keynesian model with an environment characterized by labor market frictions, I examine the effects of labor market reform, represented by a permanent change in the labor market freedom index (LMFI), a proxy for reform. I demonstrate that a reform aimed at increasing labor market flexibility has both intended and unintended effects on macroeconomic variables. The main findings are threefold. First, the long-term impact

of improving labor market flexibility depends on the reform's mechanism. Second, wage rigidity only matters in the short run as it either prolongs or speeds up the transition path. Third, firms tend to respond differently in the short run when reform is pre-announced.

"Race by Gender Access to Small Business Lending – What is the Price We All Pay for Inequity? "(with Dr. Carlena Ficano)

Along with co-author Carlena Ficano, I study how credit market frictions relate to race and gender. We received a **$7,500 faculty research grant** to access restricted Kauffman Firm Survey (KFS) data, which tracks 4,928 U.S. start-ups from 2004 to 2011. The KFS offers rare linked information on firm characteristics and up to ten owners, including demographics, education, work experience, financing, and performance. This enables us to quantify whether racial and gender disparities in credit access distort entrepreneurial choices and lead to the misallocation of productive resources. We are creating a structural model of entrepreneurial decision-making under financial frictions to evaluate the overall productivity and welfare costs associated with inequitable lending practices.

My long-term research agenda aims to deepen understanding of how institutional reforms and financial frictions interact with macroeconomic outcomes. By integrating DSGE modeling, structural estimation, and extensive microdata, I seek to contribute research that not only advances theory but also informs policies on labor market flexibility, monetary design, and inclusive finance.