Lucas Francisco HUSTED

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Education

COLUMBIA UNIVERSITY	**NEW YORK, NY, USA**
P.h.D. Candidate, Economics	Expected 2022

Fields: Public Economics, Applied Micro

M.Phil, Economics	2019
M.A., Economics	2018

BROWN UNIVERSITY	**PROVIDENCE, RI, USA**
B.Sc. Applied Mathematics-Economics (Advanced Economics Track)	2013

Honors in Economics, Magna Cum Laude, Phi Beta Kappa, Omicron Delta Epsilon

Professional Experience

2021–21 **Amazon** in Seattle, WA. *PhD Intern, Promise Research, Supply Chain Optimization.*

2020–20 **RAND Corporation** in Santa Monica, CA. *Summer Associate.*

2020–20 **World Bank** in Washington, D.C. *Short Term Consultant.*

2017–19 **Columbia University** in New York, NY. *Research Assistant* (For: Michael Best, Suresh Naidu).

2014-16 **Board of Governors of the Federal Reserve System** in Washington, D.C. *Senior Research Assistant in Division of International Finance, Trade and Financial Studies.*

2013-14 **Board of Governors of the Federal Reserve System** in Washington, D.C. *Research Assistant in Division of International Finance, Trade and Financial Studies.*

Job Market Paper

The Consequences of Removal from Cash Welfare (with Motaz Al-Chanati)

Does removing families from welfare programs result in increased employment? Using detailed administrative data from Michigan, we study a policy reform in the state's TANF program that swiftly and unexpectedly removed over 16,000 families from welfare, while quasi-randomly assigning time limits to all remaining participants. Consistent with economic theory, removing families from welfare increases formal labor force participation by roughly 4 percentage points (20% over control group mean), with increases in annualized earnings of roughly $500. However, despite these gains, the majority of families remain formally unemployed after welfare removal. Using quantile regressions, we show that even the highest percentile wage gains fail to offset the loss in welfare benefits. Time limits – particularly for those further from their expiration – and sanctions due to program noncompliance result in higher earnings and lower welfare use. Our findings provide evidence that, contrary to their stated goals, welfare reform measures are likely to deepen poverty.

Working Papers

Welfare-to-Work Revisited: Was Jobs First Better?

Is it better to better match unemployed low-income individuals to the labor market, or first have them complete remedial coursework? I reexamine the original data from the GAIN experiment of the early 1990s, utilizing unexplored details about program intake that created quasi-random variation in treatment status within each treatment arm. Using a regression discontinuity design, I find support for the notion that among participants equally suited to either type of treatment, those induced directly into the labor force saw much larger increases in earnings relative to those who completed coursework. Effects are strongest along the extensive margin; neither type of programming differentially induces those already in the labor force to earn more. Finally, results grow in magnitude over time. This evidence leads to the conclusion that direct labor force strategies may be superior to remedial coursework for welfare participants who already have baseline cognitive skills.

The Impact of Natural Disasters on Human Capital (with R. Jisung Park and Isaac Opper)

We show that natural disasters affect a region's aggregate human capital through at least four channels. In addition to causing out-migration, natural disasters reduce student achievement, lower high school graduation rates, and decrease post-secondary attendance. We estimate that disasters that cause at least $500 in per-capita property damage reduce the net present value (NPV) of an affected county's human capital by an average of $505 per person. These negative effects on human capital are not restricted to large disasters: less severe events – disasters with property damages of $100-$500 per capita – also cause significant and persistent reductions in student achievement and post-secondary attendance.

Works In Progress

Economic Impacts of Government Spending: Evidence From Natural Disasters

Valuing Public Transit: A Case Study in NYC (with Vinayak Iyer)

Journal Publications

Monetary Policy Uncertainty (with John Rogers and Bo Sun)

Journal of Monetary Economics, 2019. Link

We construct a new measure of uncertainty about Federal Reserve policy actions and their consequences, a monetary policy uncertainty (MPU) index. We evaluate the information content of our index and document the usefulness of our index in bridging periods of conventional and unconventional policy making. We also estimate the aggregate effects of shocks to MPU on output, credit spreads, and other variables. Finally, we investigate the transmission channels of MPU, finding that heightened MPU leads to protracted declines in firm investment through both real options and financial frictions channels.

Uncertainty, Currency Excess Returns, and Risk Reversals (with John Rogers and Bo Sun)

Journal of International Money and Finance, 88, 228-241. Link

In this paper we provide strong evidence that heightened uncertainty in the U.S. real economy or financial markets significantly raises excess returns to the currency carry trade. We posit that this works through the influence of uncertainty on global investors' risk preferences. Macro and financial uncertainty also lower foreign exchange risk reversals, an effect that is particularly strong for high interest rate portfolios. Our results are consistent with the idea that an increase in uncertainty regarding the U.S. economy or financial markets increases investors' risk aversion, which in turn drives up the expected returns and the cost of protection against crash risk in the FX market.

Other Research

Measuring Cross Country Monetary Policy Uncertainty (with John H. Rogers & Bo Sun), *IFDP Notes, Board of Governors of the Federal Reserve System (U.S.), 2016-11-23.* Link

Measuring Monetary Policy Uncertainty: The Federal Reserve, January 1985-January 2016 (with John H. Rogers & Bo Sun), *IFDP Notes, Board of Governors of the Federal Reserve System (U.S.), 2016-04-11-2.* Link

The Price of Cannabis: An analysis of How Decriminalization and Federal Enforcement Affect the Price of Marijuana (Honors Thesis in Economics, Brown University, 2013). Link

Honors and Awards

2020	NSF DISSERTATION GRANT (Welfare Reform), National Science Foundation
2020	PER RESEARCH GRANT (Welfare Reform), Columbia University.
2020	PER RESEARCH GRANT (Spatial Equilibrium), Columbia University.
2019	NSF DISSERTATION GRANT (Spatial Equilibrium), National Science Foundation
2019	PER SUMMER RESEARCH FELLOW, Columbia University.
2017-19	TEACHING FELLOW, Columbia University.
2016-17	DEAN'S FELLOW, Columbia University.
2016-17	PROVOST'S DIVERSITY FELLOWSHIP, Columbia University.
2013	HONORS IN ECONOMICS, Brown University.
2013	PHI BETA KAPPA, Brown University.
2013	MAGNA CUM LAUDE, Brown University.
2013	OMICRON DELTA EPSILON, Brown University.
2009	AUSTIN SCHOLAR AWARD, St. Anselm's Abbey School (High School Valedictorian).

Invited Presentations

National Tax Association Meetings, 2021

Teaching Assistant Experience

PUBLIC ECONOMICS, Fall 2019

INTRODUCTION TO ECONOMETRICS, Fall 2018 and Spring 2019

GAME THEORY, Summer 2018

URBAN ECONOMICS, Spring 2018

INTERMEDIATE MICROECONOMICS, Fall 2017

Journal Service

Journal of Urban Economics; Empirical Economics

Software/Languages

Data Analysis: Python/Pandas (high), Stata (high), MATLAB (med), R (med), SQL (med).

Typesetting: LaTeX, LyX

Languages: English, Spanish

Authored GitHub Packages: propscore, py_rdpackages, pystout, pytrendex

Causal Inference Techniques: linear and non-linear regression with panel and time-series data, instrumental variables regression, regression discontinuity, propensity score matching, event study, difference-in-differences, machine learning methods (lasso, ridge regression, random forests, causal forests, double machine learning).

Other/Hobbies

2019-20	Ted-ED Educator (3 million+ views) [Video 1, Video 2]
2016-	Columbia University Cycling Team Treasurer and Bike Mechanic
2012-13	Opinions Editor, Brown Daily Herald *(Student-run daily independent newspaper)*

References

Sandra Black (Primary)
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Michael Best (Co-Sponsor)
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