

Curriculum Vitae: March 2012

Personal Information

Name: Dirk Krueger
Address: Department of Economics, University of Pennsylvania,
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Education

Ph. D. Economics, University of Minnesota, 1999

Current Positions

University of Pennsylvania, Philadelphia, PA
Professor of Economics and Director of Graduate Studies

Other Affiliations

National Bureau of Economic Research, Cambridge, MA
Research Associate, 2009 to present, Faculty Research Fellow, 2002-09

Centre for Economic Policy Research, London, UK
Research Fellow 2009 to present, Research Affiliate, 2004-09

Netspar, Tilburg, Netherlands
Research Fellow, 2008 to present

Johann Wolfgang Goethe University, Frankfurt, Germany
Adjunct Professor and Research Fellow, CFS, 2004 to present

Past Positions

Johann Wolfgang Goethe University, Frankfurt, Germany
Full Professor (C4), Chair for Macroeconomics, 2004 to 2006

University of Pennsylvania, Philadelphia, PA
Assistant and Associate Professor, 2001-2002, 2003-2004, 2007-2008

Stanford University, Stanford, CA
Assistant Professor of Economics: 1999-2003

Hoover Institution, Stanford, CA
John Stauffer Hoover National Research Fellow in Public Policy, 2002-03

**Federal Reserve Banks of Atlanta, Minneapolis and Philadelphia,
European Central Bank**
Visiting Scholar, various years

Publications in Scientific Journals

- 2011** Consumption and Saving over the Life Cycle: How Important are Consumer Durables? (with J. Fernandez-Villaverde), *Macroeconomic Dynamics*, Vol. 15, 725-770.
- Public versus Private Risk Sharing (with Fabrizio Perri), *Journal of Economic Theory*, Vol. 146, 920–956
- Solving the Multi-Country Real Business Cycle Model using a Smolyak-Collocation Method (with Ben Malin and Felix Kubler), *Journal of Economic Dynamics and Control*, Vol 35, 229-239.
- 2010** When is Market Incompleteness Irrelevant for the Price of Aggregate Risk (and when it is not)?” (with Hanno Lustig), *Journal of Economic Theory*, Vol. 145, 1-41.
- Cross-Sectional Facts for Macroeconomists (with F. Perri, L. Pistaferri and G. Violante), *Review of Economic Dynamics*, Vol 13 (1), 1-14.
- Inequality Trends for Germany: A Tale of Two Countries (with N. Fuchs-Schuendeln and M. Sommer), *Review of Economic Dynamics*, Vol 13 (1), 103-132
- 2009** Taxing Capital: Not a Bad Idea after All! (with J.C. Conesa and S. Kitao), *American Economic Review*, Vol 99(1), 25-48.
- 2008** Evaluating Asset Pricing Models with Limited Commitment using Micro Consumption Data (with H. Lustig and F. Perri), *Journal of the European Economic Association Papers and Proceedings*, 2008, Vol 6, (2-3), 715–726.
- 2007** “Consumption over the Life Cycle: Facts from CEX Data” (with J. Fernandez - Villaverde), *Review of Economics and Statistics*, Vol. 89(3), 552-565.
- “On the Consequences of Demographic Change for Rates of Returns to Capital, and the Distribution of Wealth and Welfare” (with A. Ludwig), *Journal of Monetary Economics*, Vol. 54(1), 49-87.
- 2006** “On the Optimal Progressivity of the Income Tax” (with J. C. Conesa), *Journal of Monetary Economics*, 2006, Vol. 53(7), 1425-1450.
- “Competitive Risk Sharing Contracts with One-Sided Commitment” (with H. Uhlig), *Journal of Monetary Economics*, 2006, Vol. 53(7), 1661-91.

“Pareto Improving Social Security Reform when Financial Markets are Incomplete!?” (with F. Kubler), *American Economic Review*, 2006, Vol. 96(3), 737-755.

“Does Income Inequality Lead to Consumption Inequality? Evidence and Theory” (with F. Perri), *Review of Economic Studies*, 2006, Vol. 73(1), 163-93.

“Public Insurance against Idiosyncratic and Aggregate Risk: The Case of Social Security and Progressive Income Taxation,” *CESifo Economic Studies*, Vol. 52(4), 587-620.

2005 “Understanding Consumption Smoothing: Evidence from the US Consumer Expenditure Survey” (with F. Perri), *Journal of the European Economic Association Papers and Proceedings*, 2005, Vol 3, (2-3), 340-349.

“On the Distributional Consequences of Child Labor Legislation” (with J. Donohue), *International Economic Review*, 2005, Vol. 46(3), 785-815.

“On the Welfare Consequences of the Increase in Inequality in the US” (with Fabrizio Perri), *18th NBER Macroannual, 2004*, 83-121.

2004 “Skill-Specific rather than General Education: A Reason for US-Europe Growth Differences” (with K. Kumar), *Journal of Economic Growth*, 2004, Vol. 9(2), 167-207.

“US-Europe Differences in Technology-Driven Growth: Quantifying the Role of Education” (with K. Kumar), *Journal of Monetary Economics*, 2004, Vol. 51(1), 161-190.

“Computing Equilibrium in OLG Models with Stochastic Production” (with F. Kubler), *Journal of Economic Dynamics and Control*, Vol. 28(7), 1411-1436.

2002 “Intergenerational Risk Sharing via Social Security when Financial Markets are Incomplete” (with Felix Kubler), *American Economic Review Papers and Proceedings*, 2002, Vol. 92(2), 407-410.

1999 “Social Security Reform with Heterogeneous Agents” (with J. C. Conesa), *Review of Economic Dynamics*, 1999, Vol. 2(4), 757-795.

Publications in Books or Volumes

- 2009** “Demographic Change, Relative Factor Prices, International Capital Flows, and Their Differential Effects on the Welfare of Generations” (with A. Ludwig and A. Börsch-Supan), in *Social Security Policy in a Changing Environment*, NBER Volume edited by J. Brown, J. Liebman and D. Wise
- 2008** “Child Labor: A Survey for the Theoretically Inclined” (with Matthias Doepke), in *Frontiers in Family Economics*, edited by Peter Rupert.
- “Markov Equilibria in Macroeconomics” (with Felix Kubler), *The New Palgrave Dictionary of Economics*, 2nd edition.
- 2005** “Risk Sharing across Households, Generations and Countries: The Research Agenda of Dirk Krueger and Fabrizio Perri”, *SED Newsletter*.
- 2004** “US-Europe Growth Differences: The Role of Education” (with Krishna Kumar), in: *Growth and Stability in the EU: Perspectives from the Lisbon Agenda*, Conference Volume, Austrian National Bank, 36-49
- “The Effects of Demographic Changes on Aggregate Savings: Some Implications from the Life Cycle Model”, in: *Capital Markets In the Long Term: Demography, Economic Development and Funded Pension Systems*, Center for Financial Studies Conference Volume, 71-82.

Working Papers

- How does Household Consumption Respond to Income Shocks? (with Fabrizio Perri).
- A Dynamic Model of Housing Demand: Estimation and Policy Implications (with P. Bajari, P. Chan and D. Miller).
- Housing and the Macroeconomy: The Role of Implicit Guarantees for Government Sponsored Enterprises” (with Karsten Jeske and K. Mitman), *Federal Reserve Bank of Atlanta Working Paper* 2005-15.
- Intergenerational Redistribution in the Great Recession? (with A. Glover, J. Heathcote and V. Rios-Rull).

Research in Progress

- Optimal Progressive Taxation and Education Subsidies (with Alexander Ludwig)
- Insurance vs. Incentives: The Effect of Wage Non-Discrimination on Efficient Health Insurance (with Soojin Kim and Hal Cole)
- The Welfare Cost of Consumption Fluctuations in the Presence of Memorable Goods (with Rong Hai and Andy Postlewaite)
- Competitive Risk Sharing Contracts with One-Sided Limited Commitment in General Equilibrium (with Harald Uhlig)

Research Honors and Awards

- Invited Speaker, European Meeting of the Econometric Society, Oslo 2011
- Keynote Speaker: Workshop on Macroeconomic Dynamics, Brisbane 2011
- Keynote Speaker: 32nd Encontro Brasileiro de Econometria, 2010
- Keynote Speaker: Netspar Pension Workshop, January 2009
- Honorary Lecture, CESifo Public Economics Conference 2006
- Speaker, Review of Economic Studies European Tour 1999
- Alfred P. Sloan Dissertation Fellowship, 1999
- Graduate School Fellowship, University of Minnesota, 1995
- German Academic Exchange Service Fellowship, 1993 – 1994
- Friedrich Ebert Stiftung Fellowship, 1991 – 1995

Research Grants

- Stanford Institute for Economic Policy Research Junior Faculty Research Grant, 1999 – 2000
- NSF Grant “Social Security & The Wealth Distribution with Overlapping Generations & Aggregate Uncertainty,” (with F. Kubler), 2001-04
- NSF Grant “Dynamic General Equilibrium Models of Community Formation: Theory and Empirical Analysis,” (with P. Bajari) 2004-07
- NSF Grant “How does Household Consumption Respond to Income Shocks? Evidence, Theory and Implications,” (with F. Perri) 2008-11.
- NSF Grant “The Intergenerational Redistribution of Wealth and Welfare in Great Recessions,” 2011-14.

Professional Presentations: Invited Seminars (from 1999)

Alberta, Alicante, Arizona State (2), Atlanta FED (2), Autonoma de Barcelona, Banco de Espana, Banco de Portugal (2), Bank of Canada, Bank of England, BC, Berkeley, Bilbao, Board of Governors (2), Bonn, Brown (2), BU (2), Bundesbank, Carlos III, Carnegie-Mellon, Cemfi (2), CERGE-EI (2), Chicago (2), Chicago FED (2), Chicago GSB, CUHK, Colgate, Columbia, Columbia B-School, Copenhagen, Cornell, Dallas FED, Darmstadt, Duke (3), ECARES, ECB, Edinburgh, Ente Einaudi, Essen, Essex, EUI (2), Florida State, Frankfurt (3), Georgetown, Glasgow, Hannover, Heidelberg, Helsinki, Hoover, Humboldt Berlin, IGER, IIES Stockholm, Illinois, Indiana, Iowa (2), Kansas City FED, Koc, Köln, LMU Munich, LBS, LSE, Mannheim, Maryland (2), Miami, Montreal, NYU (2), Northwestern, Penn State (2), Philadelphia FED, Oslo, Pompeu Fabra, Princeton (2), Purdue, Queens, Rice (2), Richmond FED, Rochester, Rotterdam, Rutgers, San Francisco FED, Southampton, Stanford (3), Stern, Stockholm School of Economics, Stony Brook, St. Louis FED, SUNY Albany, Tel Aviv, Texas, Torino, Toronto, TU Berlin, UBC, UCL (3), UC Davis, UCLA (3), UCSD, UC Santa Barbara, Southampton, Nova Lisboa, UNC, UPenn (3), UQAM, USC (2), Vanderbilt, Virginia, Washington, Western Ontario, Wharton (3), Wien, Wisconsin (2), Würzburg, Yale (2), Zurich.

Professional Presentations: Conference Presentations

Meetings of the Society for Economic Dynamics 1998 - 2011, NBER Summer Institute 1999, 2001, 2004, 2008, 2011, Meetings of the Society for the Advancement of Economic Theory 2001, NBER EFG Meetings 2001, 2006 2010, Macroeconomic Conference in Montreal, 2002, Tow Conference on Computational Economics, Iowa, 2002, Improving Social Insurance Conference, Maryland, 2003, International Capital Flows Conference, Cleveland FED, 2003, 2004, 2005, Contracts and Institutions in Models with Heterogeneous Agents, Frankfurt, 2003, 32nd Economics Conference of the Austrian National Bank, Vienna, 2004, European Workshop on General Equilibrium, Venice 2004, CFS Capital Markets Conference 2004, Risk Sharing Conference at Richmond FED, 2004, Housing Workshop, Bank of Canada, 2004, Christmas Meeting of German Economists, Bielefeld, 2004, Carnegie-Rochester Conference, 2006, EEA Meetings 2003, 2006, Tokyo Conference in Honor of Ed Prescott 2006, Netspar Conference on Social Security, Tilburg 2007, QED Conference in Queens 2008, Truman Bewley Conference in Texas, 2009, 2009 SAFE Conference in Deidesheim, Macro with Heterogeneity Conference in Mannheim 2009, Computational Economics Conference in Zurich 2009, 2010 Policy Conference St. Louis FED, Cowles 2010, 8th Hydra Workshop on Dynamic Macroeconomics, 2010, AEA Meetings in Denver, 2010, 2nd Cologne Workshop on Macroeconomics, 2011, Summer Workshop in Macro Finance, Paris 2011.

Discussions at Conferences

- R. Zhao, “Two-Sided Repeated Moral Hazard”, Econometric Society Winter Meetings 2002
- S. Chatterjee, D. Corbae, M. Nakajima and V. Rios-Rull, “A Quantitative Theory of Unsecured Consumer Credit with Risk of Default” Philadelphia FED Conference of Monetary Theory, 2002
- S. Albanesi and C. Sleet, “Optimal Policy with Endogenous Fiscal Constitutions” AEA Winter Meetings 2003.
- L. Ljungqvist and T. Sargent, “The European Unemployment Experience: Theoretical Robustness”, 2004 ASU Goldwater Conference on Labor Markets.
- H. Lustig and S. van Nieuwerburg, “Housing Collateral and Consumption Insurance across US Regions”, 2005 Econometric Society Winter Meeting .
- D. Johnson, T. Smeeding and B. Torrey, “United States Inequality Through the Prism of Income and Consumption,” 2005 AEA Meetings
- Christos Koulovatianos, “Preferences and the Dynamic Representative Consumer,” 2005 RTN Conference in Frankfurt.
- N. Kocherlakota and L. Pistaferri, “Asset Pricing Implications of Pareto Optimality with Private Information,” 2005 Bundesbank Conference, Berlin.
- M. Iacoviello, “Private Debt and Income Inequality: A Business Cycle Analysis,” 2005 Hydra Conference.

- H. Cremer, P. De Donder, D. Maldonado, P. Pestieau, “Voting over Type and Size of a Pension System when some Individuals are Myopic,” 2006 TAPES Conference
- D. Acemoglu and V. Guerrieri, “Capital Deepening and Non-Balanced Economic Growth,” CES Conference in Eltville, 2006.
- N. Kiyotaki, A. Michalides and K. Nikolov, “From Shirtsleeves to Shirtsleeves in a long Lifetime,” Tokyo Ed Prescott Conference
- J. Fernandez-Blanco, “Competitive Search Equilibrium with Firms' Recall,” La Pietra Workshop in Florence, 2007.
- P. Krusell, T. Mukoyama and A. Sahin, “Labor-Market Matching with Precautionary Savings and Aggregate Fluctuations,” NY/Philadelphia Workshop on Quantitative Macroeconomics, 2007.
- M. Chambers, C. Garriga and D. Schlagenhauf, “Accounting for the Change in the Homeownership Rate,” NBER EFG Conference, 2008.
- C. Garriga and D. Schlagenhauf, “House Prices, Foreclosures and Bail-Outs” Sveriges Riksbank Conference, 2008.
- M. Iacoviello and M. Pavan, “Housing and Debt over the Life Cycle and over the Business Cycle” ECB Conference December 2008.
- V. Sanchez-Marcus and V. Rios-Rull, “Aggregate Shocks and the Volatility of House Prices” Housing Conference at the LSE 2009
- S. Niemann and P. Pichler, “Optimal Fiscal and Monetary Policy under Rare Disasters: The Role of Government Debt and Monetary Conservatism” EER Conference in Philadelphia 2010.
- G. Cappelletti, G. Guazzarotti & P. Tommasino, “What Determines Annuity Demand at Retirement” ECB Conference 2010.
- H. Chen and C. Winter, “Mortgage Loans, the Decline of the Housing Saving Rate and the Increase in Risk Sharing,” Cologne Workshop on Macroeconomics 2010
- D. Backus, T. Cooley & E. Henriksen, “Demography and International Capital Flows” NY/Philadelphia Workshop on Quantitative Macroeconomics 2011.
- D. Harenberg & A. Ludwig, “On the Welfare Effect of Social Security in a Model with Aggregate and Idiosyncratic Risk” 2nd Cologne Workshop on Macroeconomics, 2011

Conference Organization

- Stanford Institute for Economic Policy Research Conference on “The Effects of Credit Market Frictions on the Macroeconomy: Growth, Business Cycles and the Distribution of Resources”, August 2001
- Stanford Institute for Theoretical Economics “Liquidity and Macroeconomics”, August 2002
- Stanford Institute for Theoretical Economics “Policy”, August 2003
- SED Conference 2002 in New York, 2003 in Paris, 2004 in Florence, 2005 in Budapest, 2006 in Vancouver, 2007 in Prague.

- German Workshop in Macroeconomics, 2005 in Würzburg, 2006 in Frankfurt, 2007 in Florence, 2008 in Glasgow
- Villa Mondragone Workshop, Rome, 2005, 2006, 2007, 2008
- MEA Conference on OLG Models, 2005 in Mannheim
- EEA Summer Meeting 2006 in Vienna, 2007 in Budapest.
- PIER Conference on Macroeconomics with Heterogeneous Agents, Philadelphia, November 2007.
- Macro with Heterogeneity Conference in Mannheim 2009
- Program Committee, Econometric Society 10th World Congress 2010
- Philadelphia Workshop on Macroeconomics 2011 and 2012 (with G. Alessandria, S. Chatterjee and H. Cole)
- NBER Summer Institute Research Group on Macro Public Finance 2011 (with Aleh Tsyvinski)

Teaching

Teaching Manuscripts

- Macroeconomic Theory (288 pages)
- Consumption and Saving: Theory and Evidence (146 pages)
- Intermediate Macroeconomics (203 pages)
- Macroeconomics II (100 pages)
- Dynamic Fiscal Policy (150 pages)
- Quantitative Macroeconomics (111 pages)

Courses Taught at Goethe University Frankfurt

- Dynamic Fiscal Policy, Lecture and Seminar, Winter 2004, 2005
- Intermediate Macroeconomics (Macro II), Summer 2005, 2006
- Quantitative Macroeconomics, Summer 2005
- Graduate Macroeconomic Theory, Summer 2005, 2006
- 2nd Year Graduate Course on Consumption and Saving: Theory and Evidence, Winter 2005

Courses Taught at Stanford University

- Intermediate Macroeconomics, Fall 1999, Winter 2001
- Graduate Macroeconomic Theory, Winter 2000, Fall 2001, 2002
- 2nd Year Graduate Course on Consumption and Saving: Theory and Evidence (with Luigi Pistaferri), Winter 2001.

Courses Taught at the University of Pennsylvania

- Intermediate Macroeconomics, Fall 2001
- Topics in Macroeconomics (Dynamic Fiscal Policy), Spring 2004, Spring 2007, Spring 2008
- 1st Year Graduate Macroeconomic Theory, Spring 2008-2012
- 2nd Year Graduate Course on Consumption and Saving: Theory and Evidence, Fall 2001, Spring 2004, 2007-2009, 2011-12

Teaching Honors

- Distinguished Instructor, University of Minnesota 1996 – 1997
- Annual Economics Outstanding Teaching and Advising Prize 1999-2000, Stanford University, Department of Economics
- Best Ph.D. class Evaluation, Ph.D. program, University of Frankfurt, Academic Year 2004-2005.
- Best Undergraduate course evaluation, Academic Years 2004-2005 and 2005-2006, University of Frankfurt
- Goethe University Frankfurt Teaching Prize 2006.
- Kravis Undergraduate Teaching Award, UPenn, 2008

Students Advised (Main Advisor)

- Philip Jung (Dr. rer pol, Frankfurt, 2006, University of Amsterdam)
- Maxim Ulrich (Dr. rer pol, Frankfurt, 2008, Columbia Business School)
- Kei Muraki (Ph. D. Upenn 2009, Japanese Government)
- Matt Hoelle ((Ph. D. Upenn 2010, Max Weber Fellowship, EUI)
- Serdar Ozkan (Ph. D. Upenn 2011, Board of Governors)
- Alvaro Aguirre (Ph. D. Upenn 2011, Central Bank of Chile)
- Sergey Stepanchuk (Ph. D. Upenn 2011, Central Bank of Hungary)
- Hans Holter (Ph. D. Upenn 2011, University of Uppsala)
- Fatih Karahan (Ph. D. Upenn 2012 expected, TBD)
- Kurt Mitman (Ph. D. Upenn 2012 expected, TBD)
- Aaron Hedlund (Ph. D. Upenn 2012 expected, TBD)
- Grey Gordon (Ph. D. Upenn 2012 expected, TBD)

Students Advised (Dissertation Committee)

- Hanno Lustig (Ph. D. Stanford, 2002, University of Chicago)
- Stijn van Nieuwerburgh (Ph. D. Stanford, 2003, Stern School of Business, NYU)
- Yongseok Shin (Ph. D. Stanford, 2004, University of Wisconsin, Madison)
- Boragan Aruoba (Ph.D. UPenn, 2004, University of Maryland)
- Sanjay Chugh (Ph. D. UPenn, 2004, Board of Governors)
- Vivian Yue (Ph. D. UPenn, 2005, NYU)
- Marianne Saam (Ph.D. Goethe University, 2006, ZEW)
- Keith Kuester (Ph. D. Goethe University, 2006, ECB)
- Christian Habermann (Ph.D. University of Würzburg, 2007, private sector)
- Javier Gonzales (Ph. D. UPenn, 2008, Mexican Government)
- Clement Joubert (Ph. D. UPenn, 2010, UNC)
- Leonardo Melosi (Ph. D. UPenn, 2010, LBS)
- Jonathan Pogach (Ph. D. UPenn, 2008, FDIC)
- Sergiy Stensenko (Ph. D. UPenn, 2008, Moody's)

- Omer Parmaksiz (Ph. D. UPenn, 2010)
- Myat Mon (Ph. D. UPenn, 2011. USC)
- Cezar Santos (Ph. D. Upenn 2012 expected, TBD)

Dissertation Discussant

- Conny Olovsson (Ph.D. University of Stockholm, 2004)

Service to Economics Profession

American Economic Review

Co-Editor: January 2009 - 2011

Board of Editors: April 2006 - 2008

B.E. Journals in Macroeconomics

Coordinating Editor: January 2005 - 2006, Editor: October 2004 – 2006

Review of Economic Studies

Editorial Board: October 2005 - 2007

Review of Economic Dynamics

Associate Editor: 2006, Editor: 2007 – 2008

Guest Editor, January 2010 Volume on Cross-Country Inequality Facts

International Economic Review

Associate Editor: July 2006 - 2008

Theoretical Economics

Associate Editor, January 2007 – 2008

Referee for American Economic Review, Canadian Journal of Economics, Canadian Research Council, DFG, Econometrica, Economic Journal, Economic Theory, European Economic Review, International Economic Review, International Tax and Public Finance, Journal of Economic Theory, Journal of Economic Dynamics and Control, Journal of the European Economic Association, Journal of Monetary Economics, Journal of Money, Credit and Banking, Journal of Political Economy, Journal of Public Economics, Macroeconomic Dynamics, National Science Foundation, Oxford Economic Papers, Quarterly Journal of Economics, Review of Economic Dynamics, Review of Economics and Statistics, Review of Economic Studies, Scandinavian Journal of Economics, Swiss National Science Foundation.

Memberships in Professional Organizations

American Economic Association, Econometric Society, Society for Economic Dynamics, Verein für Socialpolitik