

Andrew Shephard

Contact Details

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Academic Positions

Assistant Professor, Department of Economics, University of Pennsylvania, July 2012–

Assistant Professor, Department of Economics, Princeton University, September 2010–August 2012

Education

Ph.D. Economics, University College London, UK, July 2010.

Thesis title: *Structural models of the labour market and the impact and design of tax policies*

M.Sc. Economics (with distinction), London School of Economics, 2002.

B.Sc. Economics (first class honours), London School of Economics, 2001.

Fields of Interest

Labour Economics, Public Economics, Microeconometrics, Applied Microeconomics

Previous Employment

2002 - 2005, Research Economist, Institute for Fiscal Studies

Refereeing

American Economic Journal: Applied Economics, American Economic Journal: Applied Economics, American Economic Journal: Economic Policy, American Economic Review, B.E. Journal of Economic Analysis & Policy, Econometrica, Economic Journal, Economics of Transition, European Economic Review, International Economic Review, International Tax and Public Finance, Fiscal Studies, Journal of Econometrics, Journal of the European Economic Association, Journal of Labor Economics, Journal of Political Economy, Journal of Population Economics, Journal of Public Economics, Labour Economics, Oxford Bulletin of Economics and Statistics, Oxford Economic Papers, Quantitative Economics, Quarterly Journal of Economics, Research in Labor Economics, Review of Economic Dynamics, Review of Economic Studies, The Scandinavian Journal of Economics

Grants, Honours, Scholarships, & Fellowships

NSF Grant (Co-Principal Investigator, with Hanming Fang), “Affordable Care Act and the Labor Market”, SES-1459353, 2015–2018, \$426,020
Excellence in Refereeing Award, *Economic Journal*, 2011
Review of *Economic Studies* Tour, 2010
Outstanding Teaching Assistant, University College London, 2008
Ph.D. Scholarship, Institute for Fiscal Studies, 2005 - 2010
Ely Devon’s School Prize, London School of Economics, 2002
Advanced Course Quota Studentship, ESRC, 2001
Bernard Cullen Memorial Prize, London School of Economics, 2001
Gerstenberg Prize in Economics, London School of Economics, 2001
Richard Goeltz Prize, London School of Economics, 2000
Certificate of Excellence, UCLES, 1998

Conference & Seminar Presentations

2018: Oxford University, Imperial College London, State University of New York at Buffalo; Barcelona Graduate School of Economics Summer Forum; Cowles Foundation Structural Microeconomics Conference
2017: University of Pennsylvania; University of Calgary; Briq Workshop on Structural Analysis of Inequality, Bonn; University of North Carolina; Queens University; Georgetown University. **2016:** Western University, New York University, Twenty-First Society of Labor Economists Meetings, Seattle; 1st Rome Junior Conference on Applied Microeconomics, Einaudi Institute for Economics and Finance; Barcelona Graduate School of Economics Summer Forum (x2); Washington University in St. Louis; Western University. **2015:** University of Chicago; Becker Friedman Institute Computational Economics Colloquium, University of Chicago; Barcelona Graduate School of Economics Summer Forum; Cowles Foundation Structural Microeconomics Conference; Twentieth Society of Labor Economists Meetings, Montréal, Quebec; Tinbergen Institute, Amsterdam; Institute for Fiscal Studies, London; Columbia University; Federal Reserve Bank of St. Louis. **2014:** ASSA Conference, Philadelphia; Duke University; Federal Reserve Bank of St. Louis 39th Annual Fall Conference. **2013:** Royal Economic Society Conference, Royal Holloway; University of London; NBER Summer Institute; University of North Carolina; Center for the Advanced Study of Economic Efficiency, Arizona State University **2012:** Yale University; University of Pennsylvania; ERID Young Economists Jamboree, Duke University; University College London Alumni Conference; University of Rochester; NBER Labor Studies. **2011:** University of Pennsylvania; Uppsala University; University of California, Los Angeles; Sixteenth Society of Labor Economists Meetings, Vancouver, B.C.; Stanford Institute for Theoretical Economics; Cowles Foundation Structural Microeconomics Conference; University of Michigan; University of Western Ontario. **2010:** London School of Economics; Princeton University; University of Wisconsin-Madison; Northwestern University; Washington University at St. Louis; Duke University; University of Warwick; Aarhus University; CEPR Public Policy Symposium, London; Review of *Economic Studies* Tour (Toulouse School of Economics; European University Institute; University of Warwick); Yale University; New York University; Cornell University. **2009:** Fourteenth Society of Labor Economists Meetings, Boston, MA; EEA-ESEM Meetings, Barcelona; Microsimula Workshop, PSE, Paris; University College London; Royal Holloway, University of London; Eighth Meeting of the Microdata RTN, Institute for Fiscal Studies, London. **2008:** Aarhus University; Seventh Meeting of the Microdata RTN, Central European University, Budapest. **2007:** HM Treasury, London; COST meeting, Netherlands Bureau for Economic Policy Analysis (CPB), The Hague; Royal Economic Society Conference, Nottingham, 2005

Research

Publications

Gayle, G-L. and A. Shephard (2019): "Optimal Taxation, Marriage, Home Production, and Family Labour Supply", *Econometrica*, 87(1): 91–326.

Shephard, A (2017): "Equilibrium Search and Tax Credit Reform", *International Economic Review*, 58(4): 1047–1088

Huck, S., Rasul, I. and A. Shephard (2015): "Comparing Charitable Fundraising Schemes: Evidence from a Natural Field Experiment and a Structural Model", *American Economic Journal: Economic Policy*, 7(2): 326–69

Blundell, R. and A. Shephard (2012): "Employment, Hours of Work and the Optimal Taxation of Low Income Families", *Review of Economic Studies*, 79(2), 481–510

Brewer, M., Saez, E. and A. Shephard (2009): "Means Testing and Tax Rates on Earnings", in Mirrlees, J., Adam, S., Besley, T., Blundell, R., Bond, S., Chote, R., Gammie, M., Johnson, P., Myles, G. and Poterba, J. (eds), *Dimensions of Tax Design: The Mirrlees Review*, Oxford: Oxford University Press for the Institute for Fiscal Studies. www.ifs.org.uk/publications/mirrleesreview/

Blundell, R., Brewer, M., Haan, P. and A. Shephard (2009) : "Optimal Income Taxation of Lone Mothers: An Empirical Comparison of the UK and Germany", *The Economic Journal*, 119, F101–F121

Brewer, M., Duncan, A., Shephard, A., and M. Suárez (2006): "Did Working Families' Tax Credit Work? The Impact of In-Work Support on Labour Supply in Great Britain", *Labour Economics*, 13, 699–720

Blundell, R., Reed, H., Shephard, A., and J. Van Reenen (2003): "Work, Unemployment and Inactivity", in *The Labour Market Under New Labour: The State of Working Britain*, ed. by R. Dickens, P. Gregg and J. Wadsworth, Palgrave Macmillan

Completed Research Papers

Marriage Market Dynamics, Gender, and the Age Gap

We present a general discrete choice framework for analysing household formation and dissolution decisions in an equilibrium limited-commitment collective framework that allows for marriage both within and across birth cohorts. Using Panel Study of Income Dynamics and American Community Survey data, we apply our framework to empirically implement a time allocation model with labour market earnings risk, human capital accumulation, home production activities, fertility, and both within- and across-cohort marital matching. Our model replicates the bivariate marriage distribution by age, and explains some of the most salient life-cycle patterns of marriage, divorce, remarriage, and time allocation behaviour. We use our estimated model to quantify the impact of the significant reduction in the gender wage gap since the 1980s on the marital age gap.

Schooling Investment, Mismatch, and Wage Inequality (with Modibo Sidibé)

This paper examines how policies, aimed at increasing the supply of education in the economy, affect the matching between workers and firms, and the wages of various skill groups. We build an equilibrium model where workers endogenously invest in education, while firms are allowed to direct their technology toward skill intensive production activities. Search frictions in the matching workers and firms induce

mismatch on both extensive (unemployment) and intensive (over-education) margins, with ensuing wage consequences. We estimate the model using data from NLSY and O*NET, and propose an ex-ante evaluation of some prominent educational policies. We find that higher education cost subsidies boosts college attainment for individuals, produce substantial welfare gains in general equilibrium, but increase overall wage inequality. These changes are associated with a substantial upward shift in the distribution of job complexity, which leads to worse allocations for low educated workers who end up under-educated in less productive firms, while high-educated workers match with more productive firms and experience less over-education during their careers.

Work in Progress

Dynamic Frictionless Marriage Matching: Commitment and Household Behaviour (with George-Levi Gayle and Sherwin Lott)

Joint Household Labour Supply and Health Care Reform (with Hanming Fang)

Optimal Taxation in an Empirical Life-Cycle Model of Labour Supply (with Richard Blundell)

Skill Biased Technology Investment and Health Care Reform (with Hanming Fang)

Scientific Software

FORTAX Library: Detailed UK-based microsimulation tax library

FORTAX Online: Online interactive model powered by the FORTAX Library (www.fortaxonline.com)

Matwrite: Stata plugin to export variables as MATLAB .mat files

Statamod: Fortran external interface library for Stata files (read/write)

Where do you fit in?: Online interactive Great Britain income distribution model developed for IFS (<http://www.ifs.org.uk/wheredoyoufitin/>)