# Luca Paolo Merlino
## Curriculum Vitae (November 2008)

## PERSONAL INFORMATION

Departament d'Economia i d'Història Economica

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| phone: | (+34) 93 581 1811 | Date of Birth: | April, 8th 1978 |
| mobile: | (+34) 667 93 3093 | Place of Birth: | Gardone V.T. (BS), Italy |
| fax: | (+34) 93 581 2012 | Citizenship: | Italian |
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| Main Thesis Advisor: | Jordi Massó | (jordi.masso@uab.es) |
| Job Placement Officer: | Hugo Rodriguez | (hugo.rodriguez@iae.csic.es) |

## RESEARCH INTERESTS

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|---|---|
| Primary: | Applied Microeconomics, Labor Economics, Microeconomic Theory. |
| Secondary: | Social Networks, Search and Matching, Discrimination. |

## EDUCATION

**[2006- Present]**    **International Doctorate of Economic Analysis (Ph.D.)**
Universitat Autònoma de Barcelona - Departament d'Economia i d'Història Economica.
Expected Completion: June 2009.
Advisors: Jordi Massó (Main), Yves Zenou, Marcel Jansen.

**[2004-2006]**    **Master in Economic Analysis**
Universitat Autònoma de Barcelona - Departament d'Economia i d'Història Economica.

**[2003-2004]**    **MSc. in Economics**
Dipartimento di Economia Politica, Università degli studi di Siena (Italy).

**[1998-2003]**    **BA in Economics (D.E.S.)**
Università Comm.le L. Bocconi, Milan (Italy).

## VISITING POSITIONS

**[April-June 2008]**    **University of Essex**
Visiting Ph.D. Student

## RESEARCH PAPERS

"Endogenous Job Contact Networks" (with Andrea Galeotti), November 2008.
"Segmentation in a Labor Market with Two-Sided Heterogeneity: Directed vs. Undirected Search", May 2008.
"Discrimination, Mismatch and Unemployment" (*work in progress*).

## TEACHING EXPERIENCE

Undergraduate Teaching Assistant at Universitat Autònoma de Barcelona
(Introductory Microeconomics, Introductory Statistics, Introductory Econometrics, Economic Growth, Industrial Organization, Introductory and Intermediate Macroeconomics, Advanced Macroeconomics)

# PRESENTATIONS IN WORKSHOPS AND CONFERENCES

[2008]
- ENTER Jamboree, Universidad Carlos III de Madrid (Spain);
- Annual Royal Economic Society Conference, Warwick University (UK);
- XVIIth Aix-Marseille Doctoral Spring School in Economics, "The Theory and Empirics of Discrimination", GREQAM, Marseille;
- 4th European Macroeconomic Workshop, Glasgow University (UK);
- European Meeting of the Econometric Society (ESEM), Università L. Bocconi, Milan (Italy).

[2007]
- ASSET, Università degli studi di Padova (Italy);
- XXXII Simposio de Analisis Economico, Universidad de Granada (Spain).

# WORKSHOPS (ATTENDED) AND SUMMER SCHOOLS

[2007]
- 18th Summer School in Economic Theory, "Economic Aspects of Communication and Information", Institute for Advanced Studies, Hebrew University of Jerusalem.
- Workshop on "Diffusion on Networks", University of Essex.

[2008]
- 13th CTN Workshop, "Integration and Cooperation in Socio-Economic and Environmental Networks and Coalitions", Fondazione Enrico Mattei and Università Cà Foscari, Venezia.
- Social Networks and Peer Effects: Theory and Applications, in memory of Antoni Calvó-Armengol, Universitat Autònoma de Barcelona.

# RESEARCH PROJECT

- SEJ2005-01481/ECON and FEDER, "Collective Decision Making for Groups, Networks, and Coalitions". Project leader: Jordi Massó.

# GRANTS

[2008-2009]
- Predoctoral fellowship, Departament d'Economia i d'Història Economica, Universitat Autònoma de Barcelona.

[2005-2008]
- Predoctoral fellowship, Universitat Autònoma de Barcelona.

[2005]
- Predoctoral fellowship, Generalitat de Catalunya.

[2004]
- Predoctoral fellowship, Departament d'Economia i d'Història Economica, Universitat Autònoma de Barcelona.

[2003]
- Bocconi University Best Graduates Award.

# OTHERS

- Internship, Italian Foreign Office, Financial and Economic Multilateral Cooperation, July-September 2002.

# LANGUAGE SKILLS

Italian, English, Spanish, French (Basic), Catalan (Basic).

# REFERENCES

**Jordi Massó**
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**Yves Zenou**
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**Andrea Galeotti**
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**Marcel Jansen**
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## - Endogenous Job Contact Networks (job market paper)
*October 2008, joint with Andrea Galeotti*

We use the UK Quarterly Labour Force Survey to document the presence of two phenomena. First, a positive correlation between unemployment rate and the proportion of job seekers who use social networks to find jobs-*network use*. Second, a non-monotone relation between unemployment rate and the proportion of recently employed workers who found their job through friends or relatives-*network productivity*. This second relation is positive for low levels of unemployment rate, while it becomes negative for high levels of unemployment rate. Existing models of social networks and labor market generally assume that social networks are exogenous. This assumption implies a negative correlation between unemployment rate and network productivity. We develop a model where social networks are used to collect job offers, but workers decide strategically how much to invest in their network. We show that equilibrium job contact networks are dense and more productive in transmitting information when labor market turnover is moderate, while they are less productive and segmented into clusters for either high or low turnover. The equilibrium response of job contact networks to changes in labor market conditions is sufficient to generate the empirical patterns which we document for the UK.

## - Segmentation in a Labor Market with Two-Sided Heterogeneity: Directed vs. Undirected Search, *May 2008*

The introduction of two sided heterogeneity in search models with random matching technology, necessary to account for recent trends in unemployment and wage inequality, leads to great complications in models whose main attractiveness is parsimony: the set of equilibria explodes, and multiple matching profiles can be sustained in equilibrium. I propose a model of a frictional labor market with a continuum of workers types where segmentation depends on the ability of the workers to direct their search strategies to types of vacancies. When search is undirected and more than one type of vacancy is posted, the equilibria are partially segmented. To obtain a segmented equilibrium, workers need to direct their application to one type of firm. Without the burden of multiple equilibria, the model is well suited for comparative statics exercises. As an example, I study the effect of skill biased technological change on total unemployment in a calibrated version of the model: while unemployment increases for unskilled workers, it decreases for skilled workers, and the proportion of workers of each type changes. The total effect depends on which of these effects dominates.

## - Discrimination, Mismatch and Unemployment, *(work in progress, available upon request)*

Even if there is some consensus that discrimination is a pervasive phenomenon of the labour markets, when taste discrimination is introduced in existing models of frictional labour market, they produce the counterfactual implication that discriminated workers face lower unemployment spells than the workers of the dominant group. This happens because all firms must obtain zero profits in equilibrium independently on the worker they hire. But when there are heterogeneous workers which are ranked according to their productivity, discriminated workers might decide to crowd out jobs where they are less productive and face high unemployment spells. Mismatch is an important, up to now neglected, effect of discriminatory hiring rules which is able to explain why discriminated workers face higher unemployment and lower wages than workers with the same level of skills of the dominant group. Furthermore, my approach lead to the empirical prediction that, conditionally on educational attainment, discriminated workers should be employed in firms with lower capital per worker ratios.