

Michael Navarrete
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Employment

Alice Rivlin Dissertation Fellow, Brookings Institution, November 2022-Present

Education

Ph.D. Economics, University of Maryland at College Park, expected May 2024
M.A. Economics, University of Maryland at College Park, 2021
B.A. Economics and French, Williams College, 2016

Fields of Specialization

Labor Economics, Macroeconomics

JOB MARKET PAPER

“COBOLing Together UI Benefits: How Delays in Fiscal Stabilizers Affect Aggregate Consumption”

The United States experienced an unprecedented increase in unemployment insurance (UI) claims starting in March 2020. State UI-benefit systems were inadequately prepared to process these claims. In states that used an antiquated programming language, COBOL, to process claims, potential claimants experienced a larger increase in administrative difficulties, which led to longer delays in benefit disbursement and may have led to an increase in discouraged filers. Using daily debit and credit card consumption data from Affinity Solutions, I employ a two-way fixed-effects estimator to measure the causal impact of having an antiquated UI-benefit system on aggregate consumption. Such systems led to a 2.8-percentage-point decline in total credit and debit card consumption relative to card consumption in states with more modern systems. I identify two factors that are likely to have contributed to this outcome: delays in benefit disbursement and an increase in discouraged filers. I estimate that the share of claims whose processing was delayed by over 70 days rose by 1.4 percentage points more in COBOL states relative to non-COBOL states. Based on a back-of-the-envelope calculation using 2019 data, my results suggest that the decline in consumption in COBOL states in 2020 after the pandemic-emergency declaration corresponds to a real-GDP decline of at least \$90 billion (in 2012 dollars).

Working Papers

“Why Don’t Taxpayers Bunch at Kink Points?” (with Andrew McCallum)

Work in Progress

“Geospatial Heterogeneity in Inflation: A Market Concentration Story” (with Seula Kim)

“Measuring Real Sales and Inflation: Official Statistics vs Economics Transactions Data” (with Gabriel Ehrlich, John Haltiwanger, David Johnson, Seula Kim, Jake Kramer, Edward Olivares, R. Benjamin Rodriguez, and Matthew Shapiro)

“Unemployment Benefits and Business Formation” (with Joonkyu Choi, Samuel Messer, and Veronika Penciakova)

Research and Relevant Work Experience

Economist, Economic Measurement and Research Internship, U.S. Census Bureau, Jul. 2020-Present
Research Assistant, Board of Governors of the Federal Reserve System, Aug. 2016-Jul. 2018
Research Assistant, Williams College, Sep. 2015-May 2016
Research Fellow, American Economic Association, Summer 2015

Teaching Experience

Instructor, Introductory Macroeconomics, University of Maryland, Summer 2021, Winter 2022, Summer 2022, Winter 2023
Teaching Assistant, Labor Markets, University of Maryland, Spring 2020 and Fall 2020
Teaching Assistant, Introductory Macroeconomics, University of Maryland, Fall 2019
Teaching Assistant, Differential Equations, Williams College, Spring 2016

Grants and Awards

Doctoral Research Grant, Washington Center for Equitable Growth, 2023–2024 (Seula Kim, co-PI)
AEA Mentoring Program Conference Travel Support, American Economic Association, 2023–2024
BSOS Dean’s Research Initiative Travel Grant, University of Maryland, 2023
Jacob K. Goldhaber Travel Grant, University of Maryland, 2023
Alice Rivlin Dissertation Fellowship, Brookings Institution, 2022-2024
IAAE Travel Grant, Annual Conference of the International Association for Applied Econometrics, 2022
Jacob K. Goldhaber Travel Grant, University of Maryland, 2022
International Conference Student Support Award (ICSSA), University of Maryland, 2022

Conference and Seminar Presentations

2024: AEA Annual Meeting, DEI in Economics, Finance, and Central Banking (planned)
2023: Western Economic Association International (WEAI) Annual Conference, Brookings Institution, WEAI International Conference, FCSM Research and Policy Conference, SEA Annual Meeting, AEA Mentoring Pipeline Conference, U.S. Census Bureau, Williams College
2022: International Conference on Public Economic Theory (PET), Annual Conference of the International Association for Applied Econometrics (IAAE), RWI (Berlin Office), Brookings Institution, Southern Economic Association (SEA) Annual Meeting
2015: American Economic Association (AEA) Pipeline Conference

Professional Service

Referee for *B.E. Journal of Economic Analysis and Policy*

Languages

English (fluent), Spanish (fluent), French (proficient), Italian (beginner)

Personal

United States Citizen; Born in Miami, FL

Computational Skills

Stata, Mata, R, Matlab, Linux

REFERENCES

Prof. Judith Hellerstein	University of Maryland	hellerst@umd.edu	(301) 405-3545
Prof. John Haltiwanger	University of Maryland	halt@umd.edu	(301) 405-3504
Prof. Ethan Kaplan	University of Maryland	edkaplan@umd.edu	(301) 405-3501