EBEN LAZARUS
https://scholar.harvard.edu/elazarus
elazarus@fas.harvard.edu

HARVARD UNIVERSITY

Placement Director: John Campbell JOHN_CAMPBELL@HARVARD.EDU (617) 496-6448
Placement Director: Nathan Hendren NHENDREN@FAS.HARVARD.EDU (617) 496-3588
Assistant Director: Brenda Piquet BPIQUET@FAS.HARVARD.EDU (617) 495-8927

Office Contact Information
Littauer Center G6
1805 Cambridge Street
Cambridge, MA 02138
Cell: (202) 210-6602

Home Contact Information
71 Dana Street Apt 3
Cambridge, MA 02138

Personal Information:
Date of Birth: April 2, 1989
Citizenship: United States

Undergraduate Studies:
University of Pennsylvania, College of Arts and Sciences, 2007–2011
B.A. in Economics, *summa cum laude*

Graduate Studies:
Harvard University, 2013 to present
Ph.D. Candidate in Economics
Thesis Title: "Tests of Restrictions and Models in Macro-Finance"
Expected Completion Date: May 2018

References:

Professor John Y. Campbell
Department of Economics
Harvard University
(617) 496-6448
john_campbell@harvard.edu

Professor Emmanuel Farhi
Department of Economics
Harvard University
(617) 496-1835
efarhi@fas.harvard.edu

Professor James H. Stock
Department of Economics
Harvard University
(617) 496-0502
james_stock@harvard.edu

Teaching and Research Fields:
Primary fields: Macroeconomics, Financial Economics
Secondary field: Time-Series Econometrics

Teaching Experience:

Spring 2016–17	*Economic Theory* (Ph.D. Macro), Harvard, TA for Prof. E. Farhi
Fall 2015	*Asset Pricing I* (Ph.D.), Harvard, TA for Prof. J. Campbell
Fall 2015	*The Psych. and Econ. of Beliefs* (Undergraduate), Harvard, TA for Prof. M. Rabin

Research Experience and Other Employment:

2014–15	Harvard University, Research Assistant for: Professors John Y. Campbell, Adi Sunderam, Luis Viceira Professor Gabriel Chodorow-Reich Professor Matthew Rabin
2011–13	Federal Reserve Bank of New York, Analyst, Open Market Trading Desk

Professional Activities:

Invited Presentations:

2018	Chicago Booth, Yale SOM, Stanford GSB, Northwestern Kellogg, MIT Sloan, Duke Fuqua, LSE
2017	NBER Behavioral Finance Meeting, Chicago Fed Rookie Conference

Referee Service: *American Economic Review, Journal of Financial Economics*

Honors and Fellowships:

2015–17	Harvard Certificate of Distinction in Teaching (awarded three times)
2016	Harvard Graduate School of Arts and Sciences Research Merit Fellowship
2011	Penn Economics Lawrence R. Klein Prize for Best Undergraduate Thesis

Job Market Paper:

"Restrictions on Asset-Price Movements Under Rational Expectations: Theory and Evidence" (with Ned Augenblick)

How restrictive is the assumption of rational expectations in asset markets? We provide two contributions to address this question. First, we derive restrictions on the admissible variation in asset prices in a general class of rational-expectations equilibria. The challenge in this task is that asset prices reflect both beliefs and preferences. We gain traction by considering market-implied, or risk-neutral, probabilities of future outcomes, and we provide a mapping between the variation in these probabilities and the minimum curvature of utility — or, more generally, the slope of the stochastic discount factor — required to rationalize the marginal investor's beliefs. Second, we implement these bounds empirically using S&P 500 index options. We find that very high utility curvature is required to rationalize the behavior of risk-neutral beliefs, and in some cases, no stochastic discount factor in the class we consider is capable of rationalizing these beliefs. This provides evidence of overreaction to new information relative to the rational benchmark. We show further that this overreaction is strongest for beliefs over prices at distant horizons, and that our findings cannot be explained by factors specific to the option market.

Other Research Papers:

"The Size–Power Tradeoff in HAR Inference" (with Daniel Lewis and James Stock)
Revise and resubmit, Econometrica

Heteroskedasticity and autocorrelation-robust (HAR) inference in time series regression typically involves kernel estimation of the long-run variance. Conventional wisdom holds that, for a given kernel, the choice of truncation parameter trades off a test's null rejection rate and power, and that this tradeoff differs across kernels. We use higher-order expansions to provide a size–power frontier for kernel and orthogonal series tests using nonstandard "fixed-b" critical values. We also provide a frontier for the subset of these tests for which the fixed-b distribution is t or F. These frontiers are respectively achieved by the QS kernel and equal-weighted periodogram. The frontiers have simple closed-form expressions, which show that the price paid for restricting attention to tests with t and F critical values is small. The frontiers are derived for the multivariate location model that dominates the theoretical literature, but simulations suggest the qualitative findings extend to stochastic regressors.

"Measuring Trends in Markups: An Identification Result"

Recent literature has suggested that increases in firms' market power, and associated markups in price over marginal cost, may be capable of partially explaining secular macroeconomic trends including the

recent decline in labor's share of income. Testing these claims typically requires access to high-quality micro data and/or restrictive parametric assumptions for estimation. In this note, I show by means of a novel identification argument that one may instead conduct such estimation using time-series macro data and less-restrictive parametric assumptions than in previous literature. The key insight is that estimation of firms' first-order conditions for profit maximization will suffer from omitted variable bias in the presence of time variation in markups (or variation in any such optimization wedge) in a manner that allows for identification of that variation. Such a test is thus capable of providing an external validity check on the results from the related literature.

Research Papers in Progress:

"HAR Inference: Recommendations for Practice" (with Daniel Lewis, James Stock, and Mark Watson)
JBES invited paper

"Factor-Augmenting Technical Growth and the Decline of the Labor Share" (with Robert Lawrence and James Stock)