ANDREA PASSALACQUA
https://scholar.harvard.edu/apassalacqua
andreapassalacqua@g.harvard.edu

HARVARD UNIVERSITY

Placement Director: Amanda Pallais	APALLAIS@FAS.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
Department of Economics
Cambridge, MA 02138
Office 315, Cell: (617) 301-1054

Undergraduate Studies:
B.A. Economics, Bocconi University, *Summa Cum Laude*, 2009
M.Sc. Economics, Bocconi University, *Summa Cum Laude*, 2012

Graduate Studies:
Harvard University, 2013 to present
Ph.D. Candidate in Political Economy and Government (Economics Track)
Expected Completion Date: May 2020

References:

Professor Jeremy Stein
Department of Economics
Harvard University
jeremy_stein@harvard.edu
(617) 496-6455

Professor David Scharfstein
Finance Unit
Harvard Business School
dscharfstein@hbs.edu
(617) 496-5067

Professor Adi Sunderam
Finance Unit
Harvard Business School
asunderam@hbs.edu
(617) 495-6644

Professor Josh Lerner
Entrepreneurial Management Unit
Harvard Business School
jlerner@hbs.edu
(617) 495-6065

Professor Marco Di Maggio
Finance Unit
Harvard Business School
mdimaggio@hbs.edu
(617) 495-6152

Teaching and Research Fields:
Primary fields: Banking, Corporate Finance
Secondary fields: Entrepreneurship, Innovation

Teaching Experience:

Spring 2019	Theoretical and Empirical Perspective on Entrepreneurship – Finance (2nd year Ph.D class), Harvard University, teaching fellow for Professors Josh Lerner and William Kerr
Spring 2018	Empirical Methods in Financial Economics (2nd year Ph.D class), Harvard University, teaching fellow for Professors Sam Hanson and Adi Sunderam
Spring 2018	Theoretical and Empirical Perspective on Entrepreneurship – Economics (2nd year Ph.D class), Harvard University, teaching fellow for Professors Josh Lerner and William Kerr
Fall 2016, Fall 2017	Introduction to Econometrics (Undergraduate class), Harvard University, teaching fellow for Professors James Stock and Elie Tamer
Fall 2012	Introduction to Microeconomics (Undergraduate class), Bocconi University, teaching fellow for Professor Maristella Botticini

Research Experience and Other Employment:

Fall 2019	Boston FED, Dissertation Fellow
2017-present	Bank of Italy, Visiting Researcher
2016-present	Institute for Quantitative Studies, Harvard University, Fellow
2015	NBER Entrepreneurship Bootcamp
2013	University of Chicago Booth School of Business, Visiting Scholar
2012-2013	Research Assistant to Professors Paola Giuliano (UCLA) and Alberto Alesina (Harvard University)
2012	OECD Center for Local Development and Entrepreneurship, Intern
2011	Research Assistant to Carlo Favero (Bocconi University)

Professional Activities:

Referee Service:	*American Economic Review: Insight, International Economic Review, European Journal of Political Economy, Journal of Comparative Economics, Economic Inquiry*
Seminars:	2017: Wharton Innovation Doctoral Symposium (WINDS), Harvard Finance Lunch, Harvard Entrepreneurship and Innovation Lunch 2018: Harvard Finance Lunch, HBS Entrepreneurship and Innovation Lunch 2019: Harvard Finance Lunch (x2), Harvard Macro Lunch, HBS Entrepreneurship and Innovation Lunch (x2), Bank of Italy, Boston FED (scheduled)
Discussant:	2017: Wharton Innovation Doctoral Symposium (WINDS)

Honors, Scholarships, and Fellowships:

2019	Dissertation Fellowship, Boston FED
2019	Harvard Certificates of Distinction in Teaching, Harvard
2018	Jens Aubrey Westengard Award
2017	Travel and Research Grant, Harvard (x2)
2017	Research Grant, Lab for Economic Applications and Policy, Harvard
2016	Research Grant, Institute for Quantitative Studies, Harvard
2013-2017	Harvard GSAS Fellowship

Publications:

"The Political Economy of Government Debt" (with Alberto Alesina), in Handbook of Macroeconomics, 2: 2599-2651. North Holland, 2. Elsevier.

Abstract: This paper critically reviews the literature that explains why and under which circumstances governments accumulate more debt than would be consistent with the prescriptions of optimal fiscal policy. Departures from optimality are linked to various political mechanisms, which make real world governments depart from what a social planner should do. We also discuss numerical rules or institutional designs that might lead to a moderation of these distortions.

Research Paper(s) in Progress:

"The Real Effects of Bank Supervision" (with Paolo Angelini, Francesca Lotti and Giovanni Soggia) ***(JMP)***

In this paper, we show that bank supervision reduces distortions in the credit market and generates positive spillovers for the real economy in Italy. Combining a novel administrative dataset of on-site unexpected bank inspections with a quasi-random selection of inspected banks, we show that inspected banks are more likely to reclassify loans as non performing after an audit. This suggests that banks are inclined to misreport loan losses and evergreen loans to underperforming firms unless audited. We find that this reclassification of loans leads to a temporary contraction in lending of audited banks. However, this effect is completely driven by a credit cut of underperforming firms, as credit gets reallocated toward more productive or new firms. As a result, these productive firms invest more in employment and fixed capital. We provide evidence of two potential mechanisms for our results: changes in bank governance and changes in bank incentives driven by recapitalization. We find positive spillovers from inspections: entrepreneurship increases and underperforming firms are more likely to exit. Taken together, our results show that bank supervision is an important complement to regulation in reducing distortions in credit allocation.

Work in Progress

"Does the Nature of the Supervisor Matter? Evidence from a Banking Reform in Europe" (with Giovanni Soggia)

Abstract: We study how a change in the nature of the banking supervisor impacts a bank's risk taking and the implication for the real economy. We take advantage of a natural experiment—specifically, a regulatory change in Europe in 2014. The reform granted the supervisory activity of a group of banks (Significant Institutions) to the ECB according to a well-defined rule. Using administrative-matched data on the universe of loans granted to Italian firms, banks' balance-sheet information, and firms' balance sheets and income statement information, we show that the new supervisor is stricter, as treated banks are more likely to report new non-performing loans. In terms of lending, treated banks cut their lending to opaque firms, such as small and medium enterprises. We run robustness tests, showing that the results are not driven by the selection of banks into the treatment group. We argue that this is in line with the different style of supervisory activity employed by the new supervisor, which is based more on hard information. Thus, treated banks are more reluctant to lend to firms whose creditworthiness is more difficult to prove. Lastly, we study the implications of the reform for the real economy, focusing on corporate investments and employment.

"The Value of Labor" (with Sabrina Di Addario and Giovanna Marcolongo)

"The Real Effects of Corporate Scandals: Evidence from the Venture Capital Industry" (with Ruiqin Cao)

"Supervising with Style: Evidence from the Banking Industry" (with Luigi Guiso, Luc Laeven, and David Marques-Ibanez)