

SARA SPAZIANI

www.saraspaziani.com

sara_spaziani@brown.edu

+1 401-644-0674 and +39 338-129-9069

BROWN UNIVERSITY

Placement Director: Toru Kitagawa toru.kitagawa@brown.edu +1 401-863-3688
Graduate Administrator: Angelica Spertini angelica_spertini@brown.edu +1 401-863-2465

References

Professor John N. Friedman Department of Economics Brown University Providence, Rhode Island 02912 john.friedman@brown.edu	Professor Peter Hull Department of Economics Brown University Providence, Rhode Island 02912 peter.hull@brown.edu	Professor Brian Knight Department of Economics Brown University Providence, Rhode Island 02912 Brian.Knight@brown.edu
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EDUCATION

Brown University Ph.D. Candidate in Economics Expected Completion Date: May 2024	Providence, RI, USA 2018 –present
Bocconi University M.Sc. Economics	Milan, Italy 2015 –2018
Bocconi University B.Sc. Economics	Milan, Italy 2012 –2015
Northwestern University Exchange semester	Evanston, IL, USA 2014

TEACHING AND RESEARCH FIELDS

Public Economics, Labor Economics, Political Economy

JOB MARKET PAPER

Optimal Unemployment Insurance Financing: Theory and Evidence from Two US States

Abstract:

Unemployment insurance provides crucial support for unemployed workers but comes with substantial costs. In this paper, I study the optimal approach to financing unemployment benefits, comparing two alternative approaches to assign unemployment tax rates to employers. While employers in the United States are assigned individualized tax rates based on the unemployment benefit spending resulting from their layoffs (experience rating), in all other countries, all employers are assigned the same tax rate irrespective of their individual contributions to unemployment (coinsurance). I derive a sufficient-statistics formula that defines the optimal financing policy through a tradeoff between the marginal

benefit and two marginal costs of coinsurance. The marginal benefit is the value of insurance for employers, as coinsurance protects them against the risk of steep tax increases and further financial deterioration following a negative shock. The first marginal cost is a moral hazard from reducing the private cost of layoffs for employers, which imposes a fiscal externality on government budgets in the form of more frequent layoffs and increased spending on benefits. The second marginal cost emerges from the subsidization of high-unemployment risk industries and the resulting reallocation of labor towards these industries. This results in the misallocation of productive skills and generates a further fiscal externality in the form of increased spending on benefits as more workers are subject to a high risk of unemployment. I then apply the formula to South Carolina and Colorado to evaluate the optimality of their unemployment insurance financing policies. I use unemployment tax filing data from these states and quasi-experimental variation in unemployment taxes from state-level reforms of experience rating policies to estimate the cost of labor reallocation and compare it with the calibrated value of insurance for employers and cost of moral hazard. My results suggest that labor reallocation, an overlooked channel in the literature, is the primary source of inefficiency from coinsurance. Additionally, the combined marginal cost of moral hazard and labor reallocation exceeded the marginal benefit of coinsurance in South Carolina pre-Great Recession but not in Colorado post-Great Recession, suggesting that experience rating was too low in the former and too high in the latter.

PUBLICATIONS

Alfonsi, L., Namubiru, M., & Spaziani, S. (2023). Gender Gaps: Back and Here to Stay? Evidence from Skilled Ugandan Workers during COVID-19. *Review of Economics of the Household*. [DOI].

Spaziani, S. (2022). Can Gender Quotas break the Glass Ceiling? Evidence from Italian Municipal Elections. *European Journal of Political Economy*, 75, 102–171. [DOI].

OTHER RESEARCH PAPERS

Meet Your Future: Experimental Evidence on the Labor Market Effects of Mentors (2023)
with Alfonsi L. and Namubiru M.
Accepted based on pre-results review. Journal of Development Economics. [DRAFT]

The Joint Optimal Design of Unemployment Insurance Benefits and Taxes

Unemployment Insurance Taxes: Experience Rating of Workers?

Bargaining Power and Access to Social Insurance Programs

The Political Economy of Social Insurance Programs: Evidence from Experience Rating in the US

RESEARCH EXPERIENCE AND OTHER EMPLOYMENT

Bocconi University
Research Assistant for Eliana La Ferrara

Milan, Italy
2017-2018

BRAC Uganda Research and Evaluation Unit
Field Assistant

Kampala, Uganda
Summer 2016

SEI Consulting
Intern

Brescia, Italy
Summer 2015

TEACHING

Teaching Assistant at Brown University

Mathematical Econometrics I - undergraduate, (*Professor: Peter Hull*) Fall 2021, 2022
Microeconomics II - Economics PhD Sequence, (*Professors: Kareen Rozen and Glenn Loury*) Spring 2020
Designing Internet Marketplace - undergraduate (*Professor: Bobby Pakzad-Hurson*) Fall 2019

SCHOLARSHIPS, GRANTS, AND AWARDS

Etta Chiuri Prize 2023
Graduate Students Teaching Award, Brown University 2020, 2023
Merit Dissertation Fellowship, Brown University 2023
Graduate Students Travel Fellowship, Brown University (\$650) 2023
Orlando Bravo Center for Economic Research Award (\$5,500) 2021-2023
Watson Institute Graduate Program in Development Summer Funds (\$3,000) 2021, 2023
Income and Wealth Inequality Project Fellowship, Brown University Department of Economics 2022
Economics Department Award, Brown University (\$2,850) 2020
JPAL Post Primary Initiative, Co-PI (\$49,178) 2020
IZA: Gender, Growth Labour Markets in LICs Programme, Co-PI (9,149) 2020
Distinction Letter, Northwestern University 2014

CONFERENCES AND INVITED TALKS

(2023) NTA, SIEP, Central Bank of Ireland, IIPF
(2021) NEUDC, LEAP-Bocconi Alumni Reunion

AFFILIATIONS

Laboratory for Effective Anti-Poverty Policies, Bocconi University 2017-today
Population Studies and Training Center, Brown University 2019-today
Watson Institute for International and Public Affairs, Brown University 2019-today
AXA Research Lab on Gender Equality, Bocconi University Summer 2022
IGIER, Bocconi University 2016-2018

OTHER

Referee: American Economic Journal: Economic Policy, Political Science Research and Methods

Service: Organizer of Applied Micro Breakfast, Brown University (2022-2023)

Software: Stata, Survey Solutions, LaTeX, GitHub

Languages: Italian (native), English (proficient), Spanish (competent), French (competent)