

JAMES S. COSTAIN

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Economist, Research Division, Bank of Spain

Research interests: Business cycles, with focus on consumption and investment under imperfect insurance; frictional labor markets; positive feedbacks and self-fulfilling prophecies

Academic and Professional Positions

Economist, División de Investigación, Servicio de Estudios, Banco de España, 9/06-present.

Visiting Lecturer, University of California at Davis, 4/06-9/06.

Research Fellow, División de Investigación, Servicio de Estudios, Banco de España, 10/05-3/06.

Visiting Professor, Universidad Carlos III de Madrid, 10/02-9/05.

Visiting Lecturer, Universitat Autònoma de Barcelona, 4/04-5/04.

Assistant Professor, Universitat Pompeu Fabra, 10/97-9/02.

Visiting Lecturer, University of California at Santa Cruz, each September, 1996-present.

Education

Ph.D., Economics, University of Chicago, 1997

Dissertation: *Unemployment Insurance in a General Equilibrium Model of Job Search and Precautionary Saving*

Dissertation Supervisor: Michael Woodford

Field exams: Macroeconomics, Mathematical Economics

M.A., Economics, University of Chicago, 1994

B.A., Economics, Stanford University, 1987

Grants

Bank of Spain Research Grant for project on “Fiscal Policy in Economies with Unemployment and Imperfect Insurance”, 10/05-3/06.

MCyT Grant #SEC2002-01601, Spanish Ministry of Science and Technology,

Research group of Albert Marcet, 2002

DGES Grant #PB98-1065, Spanish Ministry of Education, Research group of Jordi Galí, 2000

DGES Grant #PB98-1066, Spanish Ministry of Education, Research group of Albert Marcet, 2000

DGES Grant #PB97-0095, Spanish Ministry of Education, Research group of Albert Marcet, 1998

Jacob K. Javits Fellow 1992-96

Foreign Language and Area Studies Fellow (Portuguese) 1991-92

Research Papers

“Productivity Shocks and the Business Cycle: Reconciling Recent VAR Evidence”, joint with Beatriz de Blas Pérez (UAM). Manuscript, 5/06. Presented at UC Davis 5/06, SED 7/06.

“Employment Fluctuations with Downward Wage Rigidity: the Role of Moral Hazard”, joint with Marcel Jansen (Carlos III). Manuscript, 8/06. Presented at Carlos III 6/04; SED 7/04; Simposio de Análisis Económico 12/05, Econometric Society 7/06.

“Multiple Outcomes of Speculative Behavior in Theory and in the Laboratory”, joint with Frank Heinemann (Munich) and Peter Ockenfels (Frankfurt). Manuscript, 10/04. Presented at EEA-ESEM 8/04; Carlos III 4/05.

“Stabilization versus Insurance: Welfare Effects of Procyclical Taxation under Incomplete Markets”, joint with Michael Reiter (UPF). UPF Economics Working Paper #890, 8/05. Presented at SED 6/01; Carlos III 11/04; Stony Brook 1/05; Bern 2/05; MadMac (CEMFI) 4/05; Granada 5/05; SED 6/05; SAET 7/05; Econometric Society 8/05; Valencia 11/05; Bank of Spain 12/05; Alicante 2/06. Under revision for resubmission to *Review of Economic Dynamics*.

“Business Cycles, Unemployment Insurance, and the Calibration of Matching Models”, joint with Michael Reiter (UPF), CESifo Working Paper #1008, 8/03; UPF Economics Working Paper #872, 7/05. Presented at FEDEA 5/03; Carlos III 6/03; Queen Mary 10/03; EEA-ESEM 8/04. Resubmitted to *Journal of Economic Dynamics and Control*.

- “A Herding Perspective on Global Games and Multiplicity”, U. Carlos III Economics Working Paper 03-29 (08), 5/03. Presented at MadMac (CEMFI) 2/03; UCSC 9/03, Carlos III 4/05. Resubmitted to *Berkeley Electronic Journals in Theoretical Economics*.
- “A Perturbation Analysis of the Buffer-Stock Saving Model”, work in progress. Presented at Carlos III, 3/02.
- “On Payoff Heterogeneity in Games with Strategic Complementarities”, joint with Antonio Ciccone (UPF). *Oxford Economic Papers* 56 (4), October 2004, pp. 701-13.
- “Computing Business Cycles with Endogenous Risk”, joint with Michael Reiter (UPF), 11/00. Presented at UAB 4/01; CERGE-EI 2/01; UPF 11/00; UCSC 9/00; SED 7/00; SCE 7/00.
- “A Simple Model of Multiple Equilibria Based on Risk”, UPF Economics Working Paper #407, 7/99. Presented at Econometric Society 1/99; UCSC 9/98; NBER 7/98; SED 6/98; Eur. Wkshp. on Gen. Eq. Theory 5/98; UPF 3/98.
- “On the Quantitative Importance of Wage Bargaining Models”, UPF Economics Working Paper #262, 1/98.
- “Unemployment Insurance with Endogenous Search Intensity and Precautionary Saving”, UPF Economics Working Paper #243, 11/97. Presented at UPF 11/97; UCSC 9/97; U. of Chicago 7/97; SED 6/97; FRB Cleveland 5/97; Royal Holloway College 2/97; U. of Guelph 1/97.
- Unemployment Insurance in a General Equilibrium Model of Job Search and Precautionary Saving*, Dissertation, U. of Chicago, 8/97.
- “A Note on Wage Bargaining in Matching Models”, 2/96.
- “General Equilibrium Unemployment Insurance: the Exponential Utility Case”, 11/95. Presented at NBER 7/96; SEDC 6/96; Econometric Society 6/96; Sloan School 1/96; U. of Chicago 11/95.
- “The Battle of the Box: A Two-Agent Rational Choice Model of Conflict and Property Rights”, 5/93.

University Teaching

- Undergraduate Labor Economics, U. of California at Davis, Spring 2006.
- Undergraduate Macroeconomics, U. Carlos III, Autumn 2002 - Spring 2005.
- Appointed coordinator for 14 groups of Macroeconomics I, Autumn 2003.
- Graduate course on labor markets in macroeconomics, U. Autònoma de Barcelona, Spring 2004
- Graduate Macroeconomics, U. Pompeu Fabra, Autumn 1998 - 2001.
- Undergraduate Macroeconomics, U. Pompeu Fabra, Winter 1998 - Spring 2001.
- Graduate Mathematical Methods for Economists, U. of California at Santa Cruz, Each September, 1996 - 2006.
- Undergraduate Macroeconomics, U. of Chicago, Spring 1996
- Teaching Assistant for Michael Woodford, Graduate Macroeconomics, U. of Chicago, Spring 1995
- Teaching Assistant for Casey Mulligan, Undergraduate Macroeconomics, U. of Chicago, Autumn 1993

Other Academic Activities

- Program committee, Society for Economic Dynamics, 2007.
- Session organizer, Society for Computational Economics (SCE) meeting, Barcelona, July 2000: “Macrodynamics with Financial Market Imperfections, I and II”
- Local organizing committee, SCE meeting, Barcelona, July 2000
- Economics Recruiting Manager, U. Pompeu Fabra, 1999-2000
- Thesis tribunal member, E. Cárceles (2005), M. Blázquez (UC3M) 2003, P. Álvarez (UAB) 2001.
- Tesina supervisor (UPF), L. Sessa, 1999
- Tesina reader (UPF), G. Ferrero, 1999; A. Rosolia, 1998; E. Cárceles, 1998; M. Ebell, 1997
- Invited discussant (paper of Chris Carroll), Fundación Ramón Areces conference on subjective expectations, Madrid, Spain, March 2006
- Invited discussant (paper of Jinill Kim), CEPR meeting on International Finance and Economic Activity, Vouliagmeni, Greece, June 2000
- Invited discussant (paper of Jeffrey Campbell), Heterogeneous Agents meeting, UPF, June 1999

Referee, *IER* 2006; *EJ* 2005; *JPE* 2005, 2004, 1994; *Macroeconomic Dynamics* 2004; *RED* 2005, 2001; *JEDC* 2006, 2001; *EER* 2001, 2000, 2000, 1999, 1998; *Economica* 2001, 1998
Participant, Complex Systems Summer School, Santa Fe Institute, 6/95
Research Assistant for Michael Woodford, Summer 1994 and Summer 1993

Earlier Work Experience

Consultant, U.N. Development Program, National Directorate of Statistics of Mozambique, 3/91-9/91
High School Mathematics and Science Teacher, U.S. Peace Corps, Swaziland, 11/88-1/91
Research Assistant, Gibson Economics, Seattle, USA 1/88-9/88

Personal Information

Citizenship: US
Residency and work permission in Spain
Marital status: married

Language Skills

English: native speaker
Spanish: fluent
French and Portuguese: intermediate

Contact Information

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*****Research papers and class materials available at: <http://www.econ.upf.es/~costain>

References

Prof. Antonio Cabrales

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Prof. Juan José Dolado

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