

April 3, 2024

DARIO LAUDATI

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EDUCATION

University of Southern California

Ph.D. degree in Economics

Los Angeles, USA

2017-2024

REFERENCES

VINCENZO QUADRINI (Chair)

Professor

Marshall School of Business, FBE

University of Southern California

quadrini@usc.edu

ROMAIN RANCIÈRE

Professor

Department of Economics

University of Southern California

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PABLO KURLAT

Associate Professor

Department of Economics

University of Southern California

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CAROLINE BETTS

Professor

Department of Economics

University of Southern California

cbetts@usc.edu

WENHAO LI

Assistant Professor

Marshall School of Business, FBE

University of Southern California

liwenhao@marshall.usc.edu

Bocconi University & UCLouvain

Joint Master's degree in Economics

Italian final grade: 110 cum laude/110. Belgian final grade: Great Distinction

Milan, Italy & Louvain, Belgium

2014 – 2016

Bocconi University

Bachelor of Science in Economics

Milan, Italy

2010 – 2013

Exchange abroad program: University of British Columbia (Vancouver, Canada). Spring 2013

RESEARCH INTERESTS

Macroeconomics and Finance, International Finance, Banking.

WORKING PAPERS

“*Inequality and the Rise of Finance: A domestic perspective*” [JMP][[Link](#)]

Abstract. This paper studies the causes behind the rise of the financial sector observed in the United States from the 1980s. The growth of the financial sector is seen from the perspective of an endogenous rise of non-bank financial institutions (shadow banking sector). The shadow banking sector rises as a result of a domestic safe asset shortage. An increase in wealth inequality induces a higher amount of savings to invest in the hands of the wealthier households – the investors. Investors need to allocate their holdings between risky and safe assets. Given a constrained supply of public safe assets, real interest rates decline to accommodate the larger demand. A compression of the real interest rates reduces the costs of issuing debt for the poorer households, and represents the incentive for the shadow banking system to step in by transforming the debt of the poorer households into the private safe assets that the investors demand. The model allows for an endogenous and non-mechanical feedback loop between inequality and finance. The primitive increase in wealth inequality is obtained through non-trivial dynamics generated by an exogenous decline in the labor share. The financial sector rises in size and changes in structure as a result of secular macroeconomic forces. The paper is quantitative in spirit with a few empirical exercises which corroborate the model predictions.

“The political economy of banks and shadow banks competition”

Abstract. This paper provides a political economy rationale for the financial deregulation wave that happened in the United States from the 1980s. The paper takes a higher amount of savings to intermediate and safe assets to produce from the 1980s as given. It claims that institutions that could take advantage of technological and regulatory advantages (shadow banks) gained market power with respect to traditional banks. In light of this element, the paper sees the wave of financial deregulation as a by-product of higher competition in the banking system, which led traditional banks to lobby harder in order to level the playing field. In this respect, the paper is able to produce an economic root cause for the financial deregulation process and timing. I provide a time series empirical analysis that corroborates such claims. Subsequently, I build a model to illustrate these dynamics. The model allows also for financial innovations to be pursued as a temporary and alternative mechanism to cope with failed lobbying attempts.

PUBLICATIONS

Peer-reviewed

[2] “Accounting for the Duality of the Italian Economy” with J. Fernández-Villaverde, L. Ohanian, and V. Quadrini, *Review of Economic Dynamics* (2023), 50, 267–290.

[1] “Identifying the effects of sanctions on the Iranian economy using newspaper coverage” with M. H. Pesaran, *Journal of Applied Econometrics* (2023), 38, 271–294 (lead article).

Non peer-reviewed

[2] “Evidence and Policy Implications of Sanctions in the Long Run: The Case of Iran”(2023), *CESifo EconPol Forum* 24(3), 27–30.

[1] “Financial and Monetary Instruments” book section – Chapters: Impact finance, crowdfunding, P2P lending, microcredit, cooperative credit, complementary monies, blockchain – (2019) with L. Doria, and L. Fantacci in “Co-Economy. An analysis of a socio-economic emergent framework” by Lampugnani D. (ed.), Fondazione Feltrinelli – Milano (*in Italian*).

WORK IN PROGRESS

“The shadow money multiplier: Liquidity and maturity transformation in the shadow banking system”

“From health contagion to currency contagion: The heterogeneous effects of COVID-19 on FX markets”

ACADEMIC WORK EXPERIENCE & SERVICE

University of Southern California

Los Angeles, USA

T.A. for Professor B. Pinto. ECON205 – Principles of Macroeconomics (<i>Undergrad</i>)	F2019-F2020, S2023-S2024
T.A. for Professor C. Betts. ECON602 – Macroeconomic Theory I (<i>PhD Core class</i>)	Fall 2022
T.A. for Professor M. Magill. ECON603 – Microeconomic Theory II (<i>PhD Core class</i>)	Spring 2019
T.A. for Professor D. Zeke. ECON305 – Intermediate Macroeconomics (<i>Undergrad</i>)	Fall 2018
R.A. for Professor M. H. Pesaran	Summer 2019

Bocconi University

Milan, Italy

T.A. for Professor F. Bruni, Principles of Macroeconomics (BA)	Spring 2017
T.A. for Professor V. Galasso, Political Economics (BA); Business & Politics (MA)	Fall 2016
R.A. for Professor V. Galasso	2016–2017
R.A. for Professor L. Fantacci	2017

IGIER Center, Bocconi University

Milan, Italy

R.A. for Professor L. Bottazzi	2014
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Referee for: International Economic Review

Brown bag organizer (USC): Fall 2019, Summer 2023

PRESENTATIONS (SEMINARS/CONFERENCES)

2024: Canadian Economic Association,[†] Chinese Economists Society, European Commission Joint Research Center, IHS Graduate symposium (invited), Texas Tech University, University of Bologna, UC Riverside,[†] University of Montreal (UdeM), University of Vienna (Finance dept.).

2023: ASSA meeting (invited), California State University Long Beach, San Francisco Fed (Liquidity in Macro workshop), Southern California Graduate Conference in Applied Economics, Southern Economic Association (Presidential session, invited), University of California Santa Barbara,* University of Chicago (MacroFinance Society Workshop), USC Marshall (Macro-Finance brown bag), Western Economic Association International.

pre-2023: International Atlantic Economic Society, IIEA,* SEA, WEAI, INET Young Scholars Initiative Plenary Conference (Financial Stability).

†: Scheduled, *: Carried out by co-author.

Discussions

Xu et al. (2024). "Does multiple collective attention for companies improve stock market pricing efficiency?", at CEA(2024)

Adrangi, B., A. Chatrath, and K. Raffiee (2023). "Equity Market Volatility, Regime Dependence and Economic Uncertainty", at WEAI(2023).

AWARDS, FELLOWSHIPS, GRANTS

Gregory Chow Rising Star award. 2024 Chinese Economists Society conference. Mar. 2024.

Best Macroeconomics paper. Southern California Graduate Conference in Applied Economics. Nov. 2023.

USC Graduate Student Government Professional Development Fund. Graduate-level competitive. Nov. 2023.

USC Graduate School Travel/Research award. Selection across all graduate programs. Oct. 2023.

Macro Finance Research Program travel grant. Selected poster session presenter (U Chicago). Oct. 2023.

Publication Accelerator Grant. Institute for Humane Studies grant No. 017397. July 2023.

Summer Research Award. Selected recipient. USC Department of Economics. Summers 2020, 2022.

Provost's Fellowship: Merit-based, highest financial support for USC PhD students, 1 per Econ cohort. 2017-22.

IHS Fund for Scholars. Award recipient to attend extra-curricular summer schools. August 2021.

CAFE Fellowship. Selected recipient. Center for Applied Financial Economics research fellowship, Spring 2021.

Center for Excellence in Teaching. Certificate awarded for best practices in teaching. USC, Fall 2018.

Erasmus+ scholarship. Selected recipient. European Commission scholarship, 2015.

Italian Ministry of Education award. Prize for outstanding high-school performance (100 cum laude/100), 2010.

NON-ACADEMIC WORK EXPERIENCE

Tefen Management Consulting Srl, Consultant.

Milan (Italy), 2016

Health economics projects for life science multinational companies

OECD, Education Department, PISA team.

Paris (France), 2015

Research Trainee for the project: OECD(2016). "Equations and Inequalities: Making Mathematics Accessible to All"

LANGUAGES

Italian (Native). English (Working knowledge). French (Fluent). Spanish (Fluent).

PROGRAMMING SKILLS

MATLAB, Dynare, Stata, R, MicroFit; \LaTeX .

OTHER

Citizenship: Italian. Visa holder: F1 (USA).