

GONZALO GARCIA-TRUJILLO

University of Maryland
Department of Economics
College Park, MD 20742
Phone: (240) 573-6361
Email: ggarcia@umd.edu
Website: <http://econweb.umd.edu/~garcia/>

PLACEMENT DIRECTORS

| | | |
|-------------------------|--|----------------|
| Prof. Guido Kuersteiner | gkuerste@umd.edu | (301) 405-3493 |
| Prof. Katharine Abraham | kabraham@umd.edu | (301) 405-3489 |
| Prof. Nolan Pope | npope@umd.edu | (801) 995-9184 |

EDUCATION

Ph.D. Economics, University of Maryland at College Park, expected May 2021
M.A. Economics, Pontificia Universidad Católica de Chile, Chile, 2009
B.A. Economics, Pontificia Universidad Católica de Chile, Chile, 2007

FIELDS OF SPECIALIZATION

Primary: Macroeconomics, Entrepreneurship
Secondary: Labor Economics

DISSERTATION

Essays on Entrepreneurship, Labor Markets, and Business Cycles
Committee: Prof. Borağan Aruoba (Co-Chair), Prof. John Haltiwanger (Co-Chair), Prof. Felipe Saffie, Prof. Sergio Urzua

JOB MARKET PAPER

“Startups, Labor Market Frictions, and Business Cycles”

This paper studies how labor market dynamics over the business cycle affect the decision to start a business and, by shifting the entry composition of business founders, the growth potential of startups. I develop a dynamic occupational choice model with labor market frictions and joint firm and worker dynamics, in which heterogeneous individuals choose between being employed/unemployed workers, subsistence self-employed, or entrepreneurs with potential to grow. Using U.S. data, I provide support for the following predictions. First, unemployment makes more people willing to start a business because of the lower outside option. Second, a lower job finding rate reduces the value of the fallback option when the business fails (harder to find a job), deterring entry from employment, especially for high-skill workers for whom the wage loss is greater. Third, high-growth startups are mostly started by high-skill workers. With the calibrated model, I study the dynamic response of the economy to a negative productivity shock. I find that (i) entry due to stopgap motives increases while entry into entrepreneurship declines, and (ii) the composition of founders shifts toward fewer employed high-skill workers, leading new cohorts to have fewer high-growth startups. Both features hinder job creation recovery, keeping the labor market depressed longer and entry into entrepreneurship persistently low.

OTHER RESEARCH PAPERS

“Understanding Domestic Savings: An Empirical Approach,” 2020, *Applied Economics*, 52 (9), 905-928, with R. Cerda, R. Fuentes and J. I. Llodra

“The Impact of a Carbon Tax on the Chilean Electricity Generation Sector,” 2015, *Energies*, 8(4), 2674-2700, with C. Benavides, L. Gonzales, M. Diaz, R. Fuentes, R. Palma-Behnke and C. Ravizza

“Composition of Founding Teams over the Business Cycle and Firm Dynamics,” work in progress

“Earnings Prospects of Employees at Failed Startups,” work in progress, with Nathalie Gonzalez

TEACHING EXPERIENCE

Instructor, Macroeconomic Models and Forecasting (undergraduate), University of Maryland, Spring 2019, Fall 2019, Spring 2020

Instructor, Principles of Macroeconomics (undergraduate), PUC-Chile, Spring 2015

Instructor, Principles of Economics (undergraduate), PUC-Chile, Spring 2014 and Fall 2014

RESEARCH AND RELEVANT WORK EXPERIENCE

Fall Internship, Central Bank of Chile, August 2020 – September 2020

Research Assistant, Prof. Boragan Aruoba, University of Maryland, Spring 2017 – Spring 2018

Research Assistant, Dept. of Economics, PUC-Chile, MAPS Chile (climate change), 2013 – 2015

Research Assistant, Prof. Rodrigo Fuentes, PUC-Chile, 2012 – 2013

GRANTS AND AWARDS

Hayek Fund for Scholars, Institute for Humane Studies, 2019

Jacob K. Goldhaber Travel Award, University of Maryland, 2018

International Conference Student Support Award, University of Maryland, 2018

Best Third Year Paper Award, 2nd Prize, Department of Economics, University of Maryland, 2018

PhD Scholarship, Becas-Chile CONICYT, 2015 – 2019

CONFERENCE AND SEMINAR PRESENTATIONS

2020: Federal Reserve Board Pre-Job Market Conference, Central Bank of Chile Seminar, 2019:

Productivity Workshop I: Understanding Productivity (Santiago), LACEA-LAMES (Puebla), 2018:

LACEA-LAMES (Guayaquil), 2013: United Nations Climate Change Conference – COP 19 (Warsaw).

LANGUAGES

Spanish (native), English (fluent)

COMPUTATIONAL SKILLS

Matlab, Eviews, Stata, Fortran (basic), Latex

REFERENCES

| | | | |
|------------------------|------------------------|--|----------------|
| Prof. Borağan Aruoba | University of Maryland | aruoba@umd.edu | (301) 405-3508 |
| Prof. John Haltiwanger | University of Maryland | halt@umd.edu | (301) 405-3504 |
| Prof. Felipe Saffie | University of Virginia | SaffieF@arden.virginia.edu | (434) 924-3900 |
| Prof. Sergio Urzúa | University of Maryland | surzua@umd.edu | (301) 405-3266 |