

Alexander W. Bartik

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Department of Economics
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Academic Appointments

University of Illinois, Urbana-Champaign,
Assistant Professor of Economics, July 2017 to present

Other Affiliations

Research Affiliate at the Inclusive Economy Lab at Urban Labs of the University of Chicago
Special Sworn Status with the US Census Bureau

Education

Ph.D., Massachusetts Institute of Technology, 2017
B.A. in Ethics, Politics, and Economics, *cum laude* with distinction in the major, Yale College, 2008

Past Positions

Research Assistant at The Hamilton Project, Brookings Institution, 2010- 2011
Project Associate at Innovations for Poverty Action, 2008-2010.

Fields of Interest

Labor Economics, Public Finance, Applied Econometrics

Fellowships, Honors, and Awards

Excellence in Refereeing Awards: AER (2018), AER-Insights (2020)
UIUC List of Teachers Ranked as Excellent by their Students, Fall 2017, Fall 2018, Fall 2020
Lincoln Institute for Land Policy Dissertation Fellowship, 2015-2016
MIT Graduate Student Fellowship, 2011-2013
Wrexham-Heinz Prize for the Best Senior Thesis in the Social Sciences, Yale College, 2008

Research Grants

UIUC Campus Review Board for "The Geography of Jobs", 2020 (with Eliza Forsythe): \$21,637

Abdul Latif Jamil Poverty-Action Lab North American for "The Impact of Unconditional Cash Transfers on Consumption in the United States", 2020 (with David Broockman, Sarah Miller, Elizabeth Rhodes, and Eva Vivalt): \$250,155

Russell Sage Foundation for "The Impact of COVID-19 on Low-Income Individuals and Families", 2020 (with David Broockman, Sarah Miller, Elizabeth Rhodes, and Eva Vivalt): \$50,000

Bill and Melinda Gates Foundation for "An Experiment to Explore the Impact of Customized Job Recommendations", 2020 (with Bryan Stuart): \$142,176

Abdul Latif Jamil Poverty-Action Lab North American (J-PAL NA): Work of the Future Grant for "Experimental Evidence on a Low-Cost Job Search Tool", 2018 (with Bryan Stuart): \$49,359

University of Illinois, Research Initiative in Labor Markets Research Grant, 2018 (with Bryan Stuart): \$27,000

Abdul Latif Jamil Poverty Action Lab North America (J-PAL NA) Travel Grant, 2017-2018 (with Elizabeth Setren): \$5,000

Washington Center for Equitable Growth Doctoral Grant, 2016-2017: \$15,000

Publications

"The Local Economic and Welfare Consequences of Hydraulic Fracturing" with Janet Currie, Michael Greenstone, and Chris Knittel, *American Economic Journal: Applied Economics* October 2019, Vol 11., No. 4, pp 105-155

Exploiting geological variation within shale deposits and timing in the initiation of hydraulic fracturing, this paper finds that allowing fracing leads to sharp increases in oil and gas recovery and improvements in a wide set of economic indicators. At the same time, estimated willingness-to-pay (WTP) for the decrease in local amenities (e.g., crime and noise) is roughly equal to -\$500 to -\$1,200 per household annually (-1.3% to -3.1% of median household income). Overall, we estimate that WTP for allowing fracing equals about \$1,200 to \$1,900 per household annually (3.1% to 4.9%), although there is substantial heterogeneity across shale regions.

"The Impact of COVID-19 on small business outcomes and expectations" with Marianne Bertrand, Zoe Cullen, Edward Glaeser, Michael Luca, and Christopher Stanton, *Proceedings of the National Academy of Sciences* June 2020, Vol 117, Issue 30.

To explore the impact of COVID on small businesses, we conducted a survey of more than 5,800 small businesses between March 28 and April 4, 2020. Several themes emerged. First, mass layoffs and closures had already occurred ? just a few weeks into the crisis. Second, the risk of closure was negatively related to the expected length of the crisis. Moreover, businesses had widely varying beliefs about the likely duration of COVID-related disruptions. Third, many small businesses are financially fragile: the median business with more than \$10,000 in monthly expenses had only about two weeks of cash on hand at the time of the survey. Fourth, the majority of businesses planned to seek funding through the CARES act. However, many anticipated problems with accessing the program, such as bureaucratic hassles and difficulties establishing eligibility. Using experimental variation, we also assess take-up rates and business resilience effects for loans relative to grants based programs.

"Measuring the Labor Market at the Onset of the COVID-19 Crisis: Evidence from Traditional and Non-Traditional Data" (with Marianne Bertrand, Feng Li, Jesse Rothstein, and Matt Unrath). *Brookings Papers on Economic Activity* (Summer 2020)

We use traditional and non-traditional data sources to measure the collapse and subsequent partial recovery of the U.S. labor market from March to June 2020. The collapse was extremely sudden – for hourly workers at small businesses, nearly all of the decline in hours of work occurred between March 14 and March 28. It was driven by low-wage services, particularly the retail and leisure and hospitality sectors. A large share of the job loss in small businesses reflected firms that closed entirely. Firms that were already unhealthy were more likely to close, and more disadvantaged workers (less educated, non-white) were more likely to be laid off. The vast majority of laid off workers expected to be recalled, and indeed many workers were rehired when businesses reopened. Again, unhealthy firms were less likely to reopen, and disadvantaged workers were less likely to be rehired. Worker expectations were strongly predictive of rehiring probabilities. Turning to policies, shelter-in-place orders drove some job losses but only a small share: many of the losses had already occurred when the orders went into effect. Last, we find that states that received more small business loans from the Paycheck Protection Program and states with more generous unemployment insurance benefits had milder declines and faster recoveries. We find no evidence that high UI replacement rates drove job losses or slowed rehiring.

Working Papers

"Deleting a Signal: Evidence from Pre-Employment Credit Checks" with Scott Nelson, February 2021
(*Revise and Resubmit, Review of Economics and Statistics*)

We study the removal of information from a market, such as a job-applicant screening tool. We characterize how removal harms groups with relative advantage in that information: typically those for whom the banned information is most precise relative to alternative signals. We illustrate this using recent bans on employers' use of credit report data. Bans decrease job-finding rates for Black applicants by 2.4 percentage points and increase involuntary separations for Black new hires by 3 percentage points, primarily because other screening tools, such as interviews, have around 70% higher standard deviation of signal noise for Black relative to white job-seekers.

"Black Suburbanization and the Evolution of Racial Inequality Since 1970" with Evan Mast, October 2021
(*Submitted*)

Since 1970, the share of Black individuals living in suburbs of large cities has risen from 16 to 36 percent. We present three facts illustrating how this suburbanization has changed spatial inequality. First, suburbanization entirely accounts for Black households' relative improvements in several key neighborhood characteristics, while Black city dwellers saw declines. Second, suburbanization accounts for over half of the increase in within-Black income segregation. Selective Black migration and muted suburban White flight both contribute to these patterns. Third, total Black population in central cities has plummeted since 2000, driven by young people and declines in high-poverty, majority-Black neighborhoods.

"The Targeting and Impact of Paycheck Protection Program Loans to Small Businesses" with Zoe Cullen, Edward Glaeser, Michael Luca, Chris Stanton, and Adi Sunderam, May 2021
(*Submitted*)

What happens when public resources are allocated by private actors, whose objectives may be imperfectly aligned with public goals? We study this question in the context of the Paycheck Protection Program (PPP), which relied on private banks to rapidly disburse aid to small businesses.

We present a model suggesting that such delegation is optimal if delay is very costly, the variance of the impact of funds across firms is small, and the correlation between public and private objectives is high. We then use firm-level data to measure heterogeneity in the impact of PPP and to assess whether banks targeted loans to high-impact firms. Using an instrumental variables approach, we find that PPP loans increased business's expected survival rates by 9 to 22 percentage points and modestly boosted employment. While banks did target loans to their pre-existing customers, treatment effect heterogeneity is sufficiently modest and the correlation between bank and public objectives seems sufficiently strong that delegation could still have been optimal given the high costs of delay.

"Moving Costs and Worker Adjustment to Changes in Labor Demand: Evidence from Longitudinal Census Data" (with Kevin Rinz), October 2018

Real wage growth for non-college educated workers varied greatly across US local labor markets during the 2000s. This paper investigates the extent to which this variation in local wage growth reflects workers' incomplete arbitrage of job opportunities in different locations, industries, and occupations. I combine novel data linking individuals between the 2000 Census and the 2010-2014 American Community Survey with labor demand shocks from exposure to trade with China and hydraulic fracturing. Without moving costs, worker adjustment to these shocks would eliminate differential earnings effects between directly exposed workers and others in the same skill group. I find evidence against the full-mobility benchmark, estimating that exposure to trade with China reduces earnings of incumbent workers in exposed Commuting Zones (CZs) by 4%, and fracking increases earnings of incumbent workers in exposed CZs by 7%. I estimate a model of location, sector, and occupation choice to quantify the costs that rationalize this incomplete arbitrage and find average moving costs of several times annual income for changing labor markets, sectors, and occupations. Halving these moving costs would have reduced the effect of exposure to trade with China by 35%, underscoring the role that immobility plays in the earnings difficulties of the non-college educated.

"What Jobs are Being Done at Home during the Covid-19 Crisis? Evidence from Firm-Level Surveys" with Zoe Cullen, Edward Glaeser, Michael Luca, and Christopher Stanton

The threat of COVID-19 has increased the health risks of going to an office or factory, leading more workers to do their jobs remotely. In this paper, we provide results from firm surveys on both small and large businesses on the prevalence and productivity of remote work, and expectations about the persistence of remote work once the COVID-19 crisis ends. We present four main findings. First, while overall levels of remote work are high, there is considerable variation across industries. The Dingel and Neiman (2020) measure of suitability for remote work does a remarkably good job of predicting the industry level patterns of remote work - highlighting the challenge of moving many industries to remote work. Second, remote work is much more common in industries with better educated and better paid workers. Third, in our larger survey, employers think that there has been less productivity loss from remote working in better educated and higher paid industries. Fourth, more than one-third of firms that had employees switch to remote work believe that remote work will remain more common at their company even after the COVID-19 crisis ends.

Work in Progress

"Imperfect Information in the Labor Market" (with Bryan A. Stuart)

"The Causal Effect of Unconditional Cash Transfers" (with David Broockman, Sarah Miller, Elizabeth Rhodes, and Eva Vivaldi)

"A Social Recession: Evidence from Time-Use Diaries of Low-Income Adults" (with David Broockman, Sarah Miller, Elizabeth Rhodes, and Eva Vivalt)

"Government Policy and the Short- and Long-Run Effects of Recessions" (with Theodore Figinski and Bryan Stuart)

"Liquidity, Ability, and Labor Market Mobility: Evidence from Norway" (with Jack Liebersohn, Jens Kvaerner, and Rasmus Bogh Holmen)

Professional Activities

Presentations (includes scheduled)

2021: ASSA, SOLE

2021: WEAI International Meeting, LERA, AEI, WEAI, NBER Summer Institute (Public), United States Military Academy (West Point)

2020: University of Chicago: Demography Seminar, Atlanta Federal Reserve

2019: University of Illinois at Chicago, Society of Labor Economists, Summer Institute on Theoretical Economics (SITE) at Stanford University

2018: Michigan State University, University of California Berkeley-Haas

2017: Columbia University-SIPA, University of Illinois-Urbana-Champaign, University of Maryland, University of California-Santa Cruz, Urban Institute, Office of Tax Analysis, Congressional Budget Office, Abt Associates

2016: US Census Bureau, University of California, Berkeley: Energy Camp, MIT Labor Lunch

2014: NBER Summer Institute (Real Estate)

Discussions

"Working Remotely? Selection, Treatment, and the Market for Remote Work" by N. Emanuel and E. Harrington. *AREUEA/ASSA Annual Meeting*, January 2022.

"Did the Payment Protection Program Help Small Businesses? Evidence from Commercial Mortgage-backed Securities" by S. Agrawal, B. Ambrose, L. Lopez, and X. Xiao. *American Real Estate and Urban Economics Association*, May 2021.

"The Signaling Role of Parental Leave" by L. To. *Western Economic Association International*, March 2021.

"Tax Refund Uncertainty: Evidence and Welfare Implications, by S. Caldwell, S. Nelson, and D. Waldinger, and "Welfare Cuts and Well-Being: Evidence from Indiana in the Great Recession", by D. Wu. *Washington Center for Equitable Growth*, December 2020.

Referee Service

American Economic Review, American Economic Review: Insights, American Economic Journal: Applied Economics, American Journal of Health Economics, Journal of Applied Econometrics, American Economic Journal: Macroeconomics, American Economic Journal: Policy Economics, Economic Inquiry, Journal of Development Economics, Journal of the European Economic Association, Economic Development Quarterly, Journal of Human Resources, Journal of Labor Economics, Journal of Monetary Economics, Journal of Public Economics, Journal of Political Economy, Journal of Urban Economics, Labour Economics, Management Science, National Tax Journal, Proceedings of the National Academy of Sciences, Quarterly Journal of Economics, Review of Economics and Statistics, Review of Economic Studies, Review of Financial Studies

Conference Service

Society of Labor Economists 2021 Conference Program Committee

Grant Referee Service

Abdul-Latif Jameel Poverty Action Lab, Smith Richardson Foundation, Russell Sage Foundation, UIUC Campus Review Board

Departmental Service

Departmental Advisory Board (2020-2022)

Hiring Committee (2017/18, 2021/22)

Resek Conference Co-organizer (2019, 2020/21)

Teaching

University of Illinois at Urbana-Champaign

Econ 590 (M2): Applied Econometrics: Topics in Program Evaluation and Policy Analysis, Fall 2017, Fall 2018, Fall 2019, Fall 2020, Fall 2021

Econ 590 (L2): Graduate Labor Economics, Fall 2018, Fall 2020

Econ 199: 4 Lectures on Labor Market Discrimination for Team Taught Course on "Racial and Ethnic Disparities in Economic Opportunities and Outcomes", Spring 2020

Econ 490 (A3): Applied Econometrics: Making Policy Decisions Using Descriptive and Predictive Analytics, Spring 2019

Econ 490: Applied Econometrics: Program Evaluation and Policy Analysis, Fall 2017

MIT

Teaching Assistant for 14.472, Public Economics II, Prof. Amy Finkelstein, Spring 2017

Teaching Assistant for 14.41, Public Economics, Prof. Robin McKnight, Spring 2017

Teaching Assistant for 14.01 Introduction to Microeconomics, Prof. Jeffrey Harris, Spring 2016

Teaching Assistant for 14.01 Introduction to Microeconomics, Prof. Jonathan Gruber, Fall 2014

Other Information

Citizenship: United States