

UNIVERSITY OF CALIFORNIA, BERKELEY
DEPARTMENT OF ECONOMICS

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BUSINESS ADDRESS:

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DESIRED RESEARCH AND TEACHING FIELDS:

PRIMARY

Public Economics

SECONDARY

Development Economics
Applied Microeconomics

FIELDS OF CONCENTRATION:

Public Economics

DISSERTATION TITLE: "Payments Under the Table: Employer-employee collusion in Brazil"

Expected Date of Completion:	May 2025
Principal Advisor:	Professor Emmanuel Saez
Other References:	Professors Gabriel Zucman and Ricardo Perez-Truglia

PRE-DOCTORAL STUDIES:

Universidad Torcuato Di Tella
Universidad de Buenos Aires

DEGREE

M.A.
B.A.

DATE

2017-2019
2012-2017

FIELD

Economics
Economics

WORKING PAPERS:

"Payments Under the Table: Employer-employee collusion in Brazil" (Job Market Paper) [Link](#)

We study formal workers who receive part of their salary off the books, which we refer to as "payments under the table" (PUT). Using a novel survey of Brazil's formal employees, we provide the first direct evidence of PUT. A quarter of formal employees admit to receiving PUTs for about 20% of their wages, shifting priors on the effectiveness of third-party reporting to prevent employer-employee collusion. Our estimates suggest that PUTs represent revenue losses for 4.74% of the income tax and 2.32% of social security contributions, driven mostly by high-wage earners who evade a larger share of their income. Guided by a Nash Bargaining framework, we study how employers' and employees' incentives shape collusive tax evasion. On the employer side, we leverage novel data on PUT-related labor lawsuits matched to employer-employee records to show that employers increase the reported wages of other employees in response to a PUT-related lawsuit triggered by a conflict in the workplace. The mechanisms in place are consistent with an increase in employers' risk of engaging in PUTs, with modest responses relative to the full-compliance scenario. Finally, we exploit variations in employee benefits linked to wage reporting. Bunching evidence and an information provision experiment reveal that, even when employers report employees' wages, the reporting patterns are consistent with the employees' benefit schedules through adjustments in PUTs.

"Social Mobility and Higher Education in Brazil" [Link](#)

We follow high school graduates through college and the labor market to study income segregation and intergenerational mobility across colleges in Brazil, a unique context where admissions are mostly determined by exam scores and public institutions are free and of high quality. We show that public college admissions are income neutral once controlling for grades, but elite public colleges are composed mostly of higher-income students, as they have higher exam scores. Intergenerational mobility rates in elite public colleges are low, but higher than in

comparable private institutions. We develop a sufficient statistic approach to evaluate how policies aimed at reducing income segregation across colleges impact the future earnings of different groups. We use this general framework to evaluate affirmative action in public colleges and subsidized loans for private institutions. Both policies increased the mobility of low-income students, but subsidized loans have a larger effect. While AA increases the representation of disadvantaged students in elite schools and subsidized loans do not, the latter policy reallocates an overall larger number of students to better college tiers. All the results in the paper are based on data we make publicly available for the first time. It was constructed based on confidential records and aggregated so other colleagues could use it for their research.

“The Role of Cash in Illegal Labor Market Practices: Evidence from Uruguay” [Link](#)

This paper studies the effect of prohibiting the use of cash for wage disbursements on labor markets in developing countries. We study a reform in Uruguay that mandated wage payments to be disbursed using only electronic methods. Using a difference-in-difference approach based on sector-level cash intensity prior to the reform, our results indicate that firms in high cash intensity sectors are significantly more likely to discontinue formal activities post-reform. Active firms show a slight reduction in the number of employees and an increase in reported wages. These results are driven by low productivity firms. Complementary results using survey data indicate an increase in informal employment and a decrease in collusive underreporting of earnings partially explain these results. Overall, results suggest that, while eliminating cash for wage payments enhances tax compliance among formal workers, it may also shift some economic activity into full informality, offsetting the revenue gains from improved payroll tax compliance.

“The Effects of Revealing Borrowers’ Information on Credit Allocation, Defaults and Entrepreneurship”

This paper investigates the effects of increasing the information that lenders have about borrowers on their credit access, default rates, and entrepreneurial activity. Partnering with the largest credit bureau in Brazil, we explore a unique policy that increased the information available for credit bureaus to construct credit scores. Changes in the credit allocation are consistent with a simple conceptual framework of decision-making under imperfect information that rationalizes how new credit scores built with more information should affect credit allocation. This includes not only increasing credit for those who are suggested to be more creditworthy given the new information but also reflects the increase in the precision of the signal, widening the credit distribution. We show that credit allocated by the policy has substantially lower default rates than the counterfactual credit without the policy, but reallocation increased credit inequality, also causing an increase in the racial gap in credit access. We then explore effects beyond the credit market by investigating if the policy affected entrepreneurial activity. We find no effect on firm creation but evidence of better (worse) outcomes of firms created by positively (negatively) exposed individuals. These effects translate into an improvement in the average firm quality of new cohorts of entrepreneurs, suggesting productivity gains from the reallocation of credit.

SELECTED WORK IN PROGRESS:

“Heterogenous Responses to Payments Under the Table: Experimental Evidence from the Dominican Republic”

“Payments Under the Table in Latin America”

“Real and Evasion Responses to Property Taxes: Evidence from Sao Paulo”

PROFESSIONAL EXPERIENCE:

NON-ACADEMIC:

Central Bank President’s Advisor, Central Bank of Argentina, Buenos Aires (2018-2019)

RESEARCH:

Research Assistant, Department of Economics, U.C. Berkeley (2020 / 2022-2023)

Empirical data research with Professor Gabriel Zucman on higher education institutions, endowments, redistribution, and unequal access to colleges in the United States.

Intern at the Development Impact Group (DIME), World Bank (Summer 2022)

Research Assistant, Department of Economics, U.C. Berkeley (2020-2022)

Empirical data research with Professor Sydnee Caldwell labor markets, monopsony power, and wage setting decisions.

Research Assistant, Haas School of Business, U.C. Berkeley (2020)

Empirical data research and experimental design with Professor Ricardo Perez-Truglia on intertemporal consumption decisions in response to changes in expectations.

TEACHING:

Teaching Assistant, Haas School of Business, U.C. Berkeley (Fall 2023)

Data and Decisions, MBA class

Teaching Assistant, Department of Economics, Universidad Torcuato Di Tella (2017-2019)

Statistical Analysis, undergraduate level.

FELLOWSHIPS AND AWARDS:

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| 2024 | International Tax and Public Finance Best PhD Student Paper Award (at the 80 th IIPF Congress) for my <i>Job Market Paper: "Payments Under the Table: Employer-employee collusion in Brazil"</i> |
| 2024 | Fisher Center Research Grant, Haas School of Business, UC Berkeley for the project " <i>Real and Evasion Responses to Property Taxes: Evidence from Sao Paulo</i> " (US\$ 15,000) |
| 2024 | STEG Sixth PhD Research Grant for the project " <i>Heterogeneous Responses to Payments Under the Table: experimental evidence from the Dominican Republic</i> " (£ 14,950) |
| 2023-2024 | Dissertation Fellowship Award, Institute for Research on Labor and Employment for the project " <i>Social Mobility and Higher Education in Brazil</i> " (US\$ 30,000) |
| 2023-2024 | Burch Center Fellowship, Robert D. Burch Center for Tax Policy & Public Finance for my <i>Job Market Paper: "Payments Under the Table: Employer-employee collusion in Brazil"</i> (US\$ 22,000) |
| 2022 | Development Economics Challenge Award, Center for Effective Global Action (CEGA) for my <i>Job Market Paper: "Payments Under the Table: Employer-employee collusion in Brazil"</i> (US\$ 20,000) |
| Others | Small Development Economics Challenge Award, Center for Effective Global Action (CEGA), Research Grant from Opportunity Lab Place-Based Policy Initiative, Research Grant from Opportunity Lab Place-Based Policy Initiative, Award for Gender-Related Research, Center for Equity, Gender, and Leadership. (Total: US\$ 46,000) |

OTHER INFORMATION:

Languages: English, Spanish, Portuguese (intermediate), Italian (beginner)

Citizenship: Argentina, Italian