

# Ignacio Amaral

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## Education

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<b>PhD (c) Economics</b> , Arizona State University, USA	(expected) 2026
Advisor: Domenico Ferraro	
<b>MSc Economics</b> , Arizona State University, USA	2022
<b>MSc Economics</b> , Barcelona School of Economics, Spain	2018
<b>BA Economics</b> , Universidad de la Republica, Uruguay	2015

## Research Fields

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Macroeconomics, Labor Economics, Business Cycles

## Working Papers

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### [Cyclical Job Fragility](#) (Job Market Paper)

Economic recessions raise unemployment risk and depress wages, leaving especially lasting effects on workers who experience unemployment in weak labor markets. Using NLSY data, I show that these workers systematically land in fragile, short-lived jobs, with greater likelihood of both switching employers and returning to unemployment. To interpret these patterns, I build a search-and-matching model in which risk-neutral firms enter long-term relationships with risk-averse workers while both sides learn match quality gradually. Weaker outside options in recessions lead workers to accept contracts with lower wages and less insurance, making separations into both other jobs and unemployment more frequent when matches are inferred to be of low quality as new information arrives. Calibrating the model to well-established business cycle facts delivers realistic scarring effects of recessions on workers, with persistent impacts on both wages and separation rates. From firms' perspective, the flip side is a highly volatile user cost of labor: hiring in recessions is cheaper both because wages are lower at entry and throughout the match, and because low-quality matches are ended more readily.

### [Unemployment Insurance and Moral Hazard on the Job](#)

This paper studies how Unemployment Insurance (UI) affects labor market outcomes through the incentives of employed workers to exert effort on the job, in addition to the well-documented effects on unemployed workers' search behavior. Using US data, I find that higher UI benefits significantly increase the likelihood of job separations due to discharge or layoff. I rationalize this finding and quantify its policy implications in a dynamic model that features hidden effort on the job as well as hidden job search effort. In this environment, long-term wage contracts arise endogenously to mitigate moral hazard on the job, prescribing wage cuts and separations when firms receive signals of low effort. In a naive calibration that ignores on-the-job moral hazard, doubling the replacement rate reduces aggregate output by only 0.6% and would appear close to optimal. In the benchmark calibration, disciplined by my empirical estimate of the firing elasticity and observed wage-cut patterns, the generosity of the current US system is already roughly optimal, and doubling the replacement rate would reduce aggregate output by 4.8%. These results highlight the importance of considering the optimal responses of all workers, not just the unemployed, when evaluating UI policy.

### [The Skill Premium Across Countries](#)

This paper examines how technological progress, structural transformation, and international trade shaped the evolution of the skill premium across 37 countries at different stages of development from 1995 to 2009. I argue that observed patterns of structural transformation mask competing forces that operate in opposite directions, a feature that is particularly strong in developing economies where sectoral skill intensities differ sharply. In such settings, the rising share of college-educated workers and skill-biased technological change should, absent offsetting forces, reallocate workers toward sectors less reliant on college-educated labor, such as agriculture. The fact that workers instead moved away from agriculture implies that technological progress in this sector was especially fast, lowering relative prices of agricultural goods and driving up the skill premium. Calibrating a multi-sector model, I find that technological progress raised the skill premium by 152% in low-income countries, compared with 38% in middle- and high-income countries. By contrast, changes in trade patterns played only a minor role in most cases.

## Selected Work in Progress

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Labor Market Power and Effort (with Xincheng Qiu)

## Teaching Experience

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Microeconomic Principles (ECN 212), Instructor, Arizona State University	Fall 2024
Macroeconomic Principles (ECN 211), Instructor, Arizona State University	Summer 2023

## Professional Experience

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Economic Analyst, Central Bank of Uruguay	2015–2020
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## Research Assistant Experience

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Arizona State University For Professor Domenico Ferraro	2024-2025
Universidad de la Republica, Uruguay For Professor Graciela Sanroman	2014

## Scholarships and Awards

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Best Progress Towards Dissertation, Arizona State University	Spring 2024
Distinguished Economics Graduate Instructor, Arizona State University	Summer 2023
Junior Fellowship, Arizona State University	2020
Department Fellowship, Arizona State University	2020

## Conferences and Workshop Presentations

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Western Economic Association International - Graduate Student Workshop (2025)
Arizona State University - Macroeconomics Workshop (2022, 2023, 2024)
Sociedad de Economistas del Uruguay - Annual Meeting (2024)

## Other Information

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Programming:	Julia, Matlab, R, Stata, L <sup>A</sup> T <sub>E</sub> X
Languages:	Spanish (native), English (fluent)
Citizenship:	Uruguayan

## References

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