

Emilio Cuilty

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————— Contact Information

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————— Doctoral Studies

Expected 18 University of Wisconsin-Madison
PhD, Economics
DISSERTATION: “Essays on Structural Behavioral Economics”

————— Dissertation Committee and References

Professor Alan Sorensen
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Professor Dan Quint
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————— Prior Education

- 2015 **M.S. in Economics**, *University of Wisconsin-Madison*.
- 2012 **M.S. in Economics**, *El Colegio de México*.
- 2009 **B.A. in Economics**, *Tecnológico de Monterrey*, Campus México City.

Languages Spanish, English **Gender:** Male
Citizenship Mexican

Fields

Primary Behavioral Economics, Industrial Organization
Secondary Structural Econometrics

Teaching Experience

- Fall 2017 **Econometrics I**, *University of Wisconsin-Madison*, Graduate, Teaching Assistant for Professor Jack Porter/Bill Sandholm.
- Spring 2016 **Behavioral Economics**, *University of Wisconsin-Madison*, Undergraduate, Teaching Assistant for Professor Andrea Wilson.
- Fall 2015 **Public Economics**, *University of Wisconsin-Madison*, Undergraduate, Teaching Assistant for Professor Jesse Gregory.
- Spring 2015 **Econ 101**, *University of Wisconsin-Madison*, Undergraduate, Teaching Assistant for Professor Korinna Hansen.
- Fall 2014 **Econ 101**, *University of Wisconsin-Madison*, Undergraduate, Teaching Assistant for Professor Elizabeth Kelly.
- Spring 2013 **Experimental Economics**, *Tecnológico de Monterrey*, Undergraduate, Lecturer.
- Spring 2013 **Advanced Macroeconomics**, *Tecnológico de Monterrey*, Undergraduate, Lecturer.
- Summer 2012 **Microeconomic Theory**, *El Colegio de México*, Graduate, Teaching Assistant for Professor Raymundo Campos.
- Fall 2012 **Econometrics I**, *El Colegio de México*, Graduate, Teaching Assistant for Professor Eneas Caldino.
- Summer 2011 **Microeconomic Theory**, *El Colegio de México*, Graduate, Teaching Assistant for Professor Jorge Mora.

Relevant Positions

- Summer 2017 **Research Assistant**, *University of Wisconsin-Madison*, Business School, R.A. for Professor Paola Mallucci/ Jordan Tong.
- Fall 2016-
Spring 2017 **Research Assistant**, *University of Wisconsin-Madison*, Business School, R.A. for Professor Paola Mallucci.
- Summer 2014 **Research Assistant**, *El Banco de México*, Summer RA Program, R.A. for Dr. Mario Villalpando.
- Spring 2013 **Research Assistant**, *El Colegio de México*, Economics Department, R.A. for Professor Raymundo Campos.

Fellowships, Honors, and Awards

- May 2017 **Fellowship**, *Grainger Fellowship in Economics*, University of Wisconsin-Madison.
- May 2016 **Fellowship**, *Robock Fellowship in Empirical Economics*, University of Wisconsin-Madison.
- Sep 2013 **Fellowship**, *CONACYT Graduate Program*, CONACYT.
- Sep 2012 **Best Student Paper**, *IAREP Conference*, Wroclaw, Poland.
- Jun 2012 **Best GPA**, *Masters Program*, El Colegio de México.
- Jun 2010 **Fellowship**, *CONACYT Graduate Program*, CONACYT.
- Jun 2009 **Top of the Class**, *CENEVAL National Exam*, CENEVAL.

Professional Activities

- 2016 **Conference Presentation**, *Society for Advancement in Behavioural Economics*, Behavioural Insights in Research and Policy Making. Wageningen, The Netherlands.
- 2012 **Conference Presentation**, *International Association for Research in Economic Psychology*, Microcosm of Economic Psychology. Wroclaw, Poland.

Publications

- 2014 **The Role of Emotions on Risk Aversion: A Prospect Theory Experiment**, *With Raymundo Campos-Vazquez, Journal of Behavioral and Experimental Economics*.

This study measures risk and loss aversion using Prospect Theory and examines the impact of emotions on these parameters. Students' emotions were manipulated using information on rising deaths due to drug violence in Mexico and youth unemployment and Tanaka et al. (2010) methodology was employed to elicit PT parameters. We find that risk aversion increases with sadness while loss aversion is negatively influenced by anger. On average, anger reduces loss aversion by half.

- 2014 **Do investments in public spaces generate social capital? Evidence for Mexico**, *With Raymundo Campos-Vazquez, Well-Being and Social Policy*.

The formation of social capital is critical for developing countries. This paper investigates the effects of attempts to recover public spaces in marginalized areas of Mexico. The effects are estimated through balancing in the propensity scores. We focus on the results of perception of safety, support and social capital. When efforts are made to recover public spaces, the perception of safety increases during the first year; however, this effect decreases during the second year. Attendance at public spaces increases in the first year, but remain constant in the second. Social capital increases two years after a given space has been rehabilitated. Our research suggests that the formation of social capital requires more time than that needed to change perceptions of safety or assistance.

Working Papers

Job Market
Paper

Discrete Choice Models of Demand with Reference Dependent Utility.

This article extends the standard discrete choice framework to estimate demand in markets with differentiated products when consumers display reference dependent (R-D) utility. In industries with a common reference product, R-D preferences generate novel substitution patterns that cannot be rationalized in the standard framework, making the R-D model testable. Such substitution patterns are also present with relatively low heterogeneity among consumers' reference product. As the level of heterogeneity increases, the difference between the R-D predictions and standard predictions decreases. When the true data generating process comes from R-D preferences, simulations show that standard models deliver biased estimates of elasticities. Finally, using consumer scanner data, I reject the hypothesis that the facial tissue industry contains no R-D consumers, and estimate that 25 percent of Kleenex's market share derives from its status as the reference brand.

Present Bias and Self-Control: Structural Estimation From a Mortgage Market in Mexico.

This article studies present bias and self control in a real mortgage market. I look at a novel dataset from a Mexican mortgage institution, where I individually follow state workers repayment decisions across 15 years. By applying Fan and Wang (2016) methodology, I am able to estimate the long term discount factor δ , the quasi-hyperbolic discount factor β and the degree of naivety $\tilde{\beta}$ the state worker has. I find that the state worker suffers from present bias ($\beta = 0.35$), and is not aware of it ($\tilde{\beta} = 1$). I show that the mortgage debt could be repaid faster if individuals could behave either as exponential discounters, or as sophisticated present biased discounters. These findings suggest that the risk of default is greater than the one estimated under traditional exponential models.

Working Progress

Risk, Fairness and Beliefs: A Supply Chain Experiment, *With Paola Mallucci and Jordan Tong*, Stage: Robustness Experiment.

It has been well documented that firms care not only about their own profit, but also care about fairness. Nevertheless, perfect rationality remains the default assumption when modeling beliefs. This research examines the role of beliefs in vertical negotiations under different risk conditions. We conducted an incentivized experiment of one shot negotiations between a retailer and a supplier. We observe how negotiations change under: the no risk condition, only risk on the retailer, and only risk on the supplier. Surprisingly, we observe that the supplier demands higher prices when the retailer is facing risk. By estimating a structural model we show that this occurs because even when the supplier is risk averse, he believes that the retailer is risk seeking. We show that both parties care about fairness, and both are risk averse.