Tom Zawisza (pron. "Zah-vee-sha")

Date of Birth: 15-Sep-1986   **Nationality:** Polish, British
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Education

2010 – 2017	*PhD Economics,* **University of Cambridge**

Thesis title: Essays on Optimal Taxation and Transfer Programs
Supervisor: Prof Hamish Low
Examiners: Prof Wojciech Kopczuk and Dr Toke Aidt

Jan-June 2012	*Visiting Scholar,* **University of California, Berkeley**
2008 – 2010	*MPhil Economics (Distinction),* **University of Cambridge**

Thesis title: Costly State Verification in a New Keynesian Framework: A Groundwork for Monetary Policy Analysis

2005 – 2008	*BA (Hons) Philosophy, Politics and Economics,* **University of Oxford**
2003 – 2005	*A Levels,* **Box Hill School, Surrey, UK**

Awards & Scholarships

2020 – 2023	British Academy Postdoctoral Fellowship, University College London (£310K)
2021 – 2022	U.S. Social Security Administration (SSA) grant for Retirement Pensions and Disability Insurance for the 21st *Century* ($100K)
2017 – 2019	Max Weber Fellowship, European University Institute
2015 – 2016	Royal Economic Society Fellowship
2013 – 2015	Faculty Trust Fund Award, University of Cambridge
Jan-June 2012	UC Berkeley Exchange Scholarship, University of Cambridge
2010 – 2013	ESRC Research Scholarship (full PhD funding, £80K)
2008 – 2010	European Trust Scholarship, University of Cambridge**;** Studentship for Students from Central and Eastern Europe, University of Cambridge
2005 – 2008	Scholar, Hertford College, University of Oxford

Research Papers

"Labour Market Outcomes and the Pension Contribution-Benefit Link" (*NBER Working Paper 30184*)
Joint work with Eric French, Attila Lindner and Cormac O'Dea
The paper examines the labour market consequences of changes to the link between pension contributions and the expected pension on retirement, well in advance of the retirement age. Using a unique cohort-based reform in 1999 in Poland, which switched the state pension system from a defined-benefit to a notional defined-contribution system, we find that a reduction in the link between current earnings and future pensions as a result of the reform reduced employment rates. We estimate the extensive-margin elasticity of labour supply to work incentives coming from the pension system at 0.44. The results were concentrated in regions which experienced strong income growth and which therefore faced the strongest incentives to continue working in the defined-benefit system. This is to our knowledge the first paper to document labour-market effects of changes to the pension system well in advance of the retirement age.

"The Taxation of Employment and Self-Employment: Evidence from Poland and Implications" (*Polish Ministry of Finance Working Paper 27-2017*)
I estimate the extent to which taxpayers substitute between employment and self-employment exploiting the 2009 Polish tax reform which reduced tax rates on the employed without changing them for the linearly-taxed self-employed. My

baseline estimate implies an decrease in the probability of being self-employed by 3.75 percentage points in response to a $2,500 decrease in the relative tax burden. A model incorporating intensive margin and switching responses implies optimal taxation of self-employment income 10-20 percentage points lower than marginal rates on wages, with the switching response reducing the gap that would be implied by self-employment income's greater intensive-margin elasticity alone.

"Employment and Self-Employment Transitions in Response to Differential Taxation" with Klejdysz, J.
In this paper, we ask whether altering the difference in the tax treatment of employed and self-employed workers induces taxpayers to switch between the two forms. Using Polish administrative tax data from the years 2000 to 2007 encompassing the population of taxpayers, we provide estimates of a switching elasticity with respect to the relative tax liability between employment and self-employment. To do so, we exploit a large exogenous change in the relative tax liability due to the introduction of a flat tax for self-employment in 2004. The reform considerably decreased tax rates for the self-employed while leaving the taxes for employment income unchanged and thus increasing the incentive to switch into self-employment. Our baseline estimate of the elasticity is 0.011 which implies that a 100 percent increase in the tax wedge between employment and self-employment results in a 1.1 percent increase in those declaring self-employment in two years. We conclude that - at least within a short time horizon - despite large tax incentive to swich the tax revenue consequences of increasing the difference in tax rates through extensive margin switching are quantitatively small.

"Saving Behaviour of Disability Insurance Applicants: Are Waiting Times Effective Screening Devices?"
The paper investigates the welfare and behavioural consequences of waiting times in the US disability insurance (DI) application process. It has been documented that about half of those awarded DI undertook some form of appeal after an initial rejection, and the resultant waiting time until the granting of the award had exceeded a year. Such a long waiting period imposes significant costs on the applicants. This paper documents an important empirical finding: namely that individuals with a severe impairment but low usage of medical services are unlikely to get disability benefits on application. On the other hand, individuals with a high usage of medical services, which are easier to verify than impairments, are more likely to do so. This finding disappears for those conducting an appeal, and suggests that in the initial period the authorities are trying to use costly signals to screen out applicants. I am currently in the process of using a life-cycle model to investigate whether increasing waiting times reduce the proportion of false applications, and whether they serve to increase or reduce overall welfare.

"Estimating Health Dynamics using a Dynamic Factor Model" (Work in Progress)
This paper estimates the dynamics of health using a dynamic panel factor model on data from the Health and Retirement Study (HRS). It finds that the many potentially collinear health indicators found in the HRS can be summarized into four underlying factors. The first three of these corresponds to subjective health measures, such as self-assessed mobility, fine motor skills and psychological well-being, while the fourth corresponds to more objective measures of health-care utilization, such as the number of overnight hospital stays. The dynamics of the factors are estimated as an underlying VAR process using the system-GMM approach, and the discreteness of the HRS health indicators is dealt with by assuming a multinomial functional form. There is significant variation among the factors in terms of their deterministic age-paths by gender and level of education, as well as their age-specific level of risk.

"Political conflict, social inequality and electoral cleavages in Central-Eastern Europe, 1990-2018" with A. Lindner, F. Novokmet and T. Piketty in A. Gethin, C. Martínez-Toleda and T. Piketty (eds.), *Political Cleavages and Social Inequalities*, Harvard University Press 2021
This paper analyses the electoral cleavages in three Central European countries countries—the Czech Republic, Hungary and Poland—since the fall of communism until today. In all three countries, the left has seen a prolonged decline in support. On the other hand, the "populist" parties increased their support and recently attained power in each country. We relate this to specific trajectories of post-communist transition. Former communist parties in Hungary and Poland transformed themselves into social-democratic parties. These parties' pro-market policies led to a gradual erosion of their traditional support. Meanwhile, the liberal right in the Czech Republic and Poland became representative of both high-income and high-educated voters. This has opened up space for populist parties and influenced their character, assuming more 'nativist' outlook in Poland and Hungary and more 'centrist' in the Czech Republic.

"Banking Sector Efficiency in Sub-Saharan Africa" with F. Boutin-Dufresne and O. Williams (*Journal of African Economies* 2014, pp.1-17, IMF Working Paper WP/13/51)
This paper examines the determinants of net interest margins in four regional blocks in Sub-Saharan Africa. Using bank-level data, we find that countries with a high level of operating costs, a high low level of non-interest income, a high ratio of equity to total assets and high treasury-bill interest rates have higher net interest margins. Moreover, high operating costs are associated with low measures of institutional quality and a small size of bank operations. We find support for the view that market structure is also partly responsible for high net interest margins in Sub-Saharan Africa, although quantitatively this effect is somewhat less important. High operating costs, high treasury-bill rates and a high ratio of equity to total assets and, indirectly, institutional factors such as the rule of law, are the most important factors in accounting for high interest margins in the East African Community, relative to other regions.

"Amplification of Technology Shocks in a General Equilibrium Economy with Incomplete Financial Markets" (First-Year PhD Paper)

The paper develops a three-period general equilibrium model, were the ability of firms to insure against aggregate technology shocks is inhibited due to the presence of limited commitment among investors. At the same time, investors in firms run the risk that firms will divert cash flow. I find that the incompleteness of financial markets prevents firms from insuring against low wealth, as this adversely affects their incentives to report cash flow truthfully. As a result, firms engage in fire-sales during downturns. The paper provides an account for how high leverage can increase volatility in investment, output and capital prices.

Selected Presentations

2022	Royal Economic Society Conference; International Institute of Public Finance Annual Congress (Linz); NBER Retirement Workshop; University of Notre Dame*
2021	Central European University; NORFACE Conference; DIAL Conference (Brussels); Polish Ministry of Finance (Warsaw)
2020	NBER Summer Institute; Birkbeck, University of London; Wharton School, University of Pennsylvania*; University of California, Berkeley*; University of Bonn*; Monash University*; Dartmouth*
2019	International Institute of Public Finance Annual Congress (Glasgow); European Meetings of the Econometric Society (Manchester); NORFACE and ESRC conference "Trends in Inequality: Sources and Policy", ESRC conference "Inequality and the Insurance Value of Transfers Over the: Life Cycle
2018	Max Weber Annual Conference, European University Institute; IFS
2017	ASSA Meetings, Chicago; Erasmus University of Rotterdam

*paper presented by co-author

Refereeing

Journal of Applied Econometrics, Journal of Labor Economics

Work Experience

2020-2023	**Department of Economics, University College London** *British Academy Postdoctoral Fellow*
2021	**World Bank, Washington, DC** *Short-term consultant liaising with the Polish Ministry of Finance*
2017-2020	**Institute for Fiscal Studies** *Postdoctoral Fellow*
2017-2019	**Department of Economics, European University Institute** *Max Weber Fellow*
2014-2016	**Faculty of Economics, University of Cambridge** *Teaching Fellow, Public Economics*
2013-2014	**Faculty of Economics, University of Cambridge** *Research Assistant to Prof Hamish Low*
Sep-Oct 2012	**World Bank, Washington, DC** *Intern, Poverty Reduction & Economic Management Division*
Jun-Aug 2012	**International Monetary Fund, Washington, DC** *Fund Intern, Africa Division*

Skills

Languages: English (Fluent), Polish (Fluent), French (Fair)
Computing Skills: proficient in Fortran 90, Matlab, Stata, LaTeX, SQL

References

Prof Hamish Low, University of Oxford, *tel*: +44 1865 271086, *e-mail*: hamish.low@economics.ox.ac.uk

Prof Eric French, University of Cambridge, *tel:* +44 1223 335200, *e-mail:* eric.french.econ@gmail.com

Prof Cormac O'Dea, Yale University , *tel:* +1 203 432 3576, *e-mail:* cormac.odea@yale.edu

Dr Attila Lindner, University College London, *tel:* +44 20 7679 5888, *e-mail:* attila.lindner@gmail.com

Languages: English (Fluent), Polish (Fluent), French (Fair)
Computing Skills: proficient in Fortran 90, Matlab, Stata, LaTeX, SQL