

# OMEED MAGHZIAN

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# HARVARD UNIVERSITY

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## Education

### Harvard University

Ph.D. Economics, 2025 (expected)

### Columbia University, Columbia College

Bachelor of Arts (Economics, with honors, and Mathematics), *summa cum laude*, 2016

## Fields

Primary: Macroeconomics

Secondary: Public Economics, Labor Economics

## References

Gabriel Chodorow-Reich  
Professor, Harvard Economics  
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Nathaniel Hendren  
Professor, MIT Economics  
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Ludwig Straub  
Professor, Harvard Economics  
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Adrien Bilal  
Assistant Professor, Stanford Economics  
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## Fellowships & Awards

Dissertation Fellowship, Federal Reserve Bank of Boston, 2024  
Brattle Group Ph.D. Candidate Award for Outstanding Research, WFA, 2024  
Stone Ph.D. Scholar in Inequality and Wealth Concentration, Harvard Kennedy School, 2021  
Graduate Research Fellowship, National Science Foundation, 2018-2023  
Sanford S. Parker Prize, Columbia University, 2016  
Phi Beta Kappa (Junior Year), Columbia University, 2015

## Teaching

Market Imperfections and Implications for Government Policy, Harvard, Teaching Fellow for Nathaniel Hendren, 2023  
Graduate Public Economics/Fiscal Policy, Harvard, Teaching Fellow for Stefanie Stantcheva, 2021  
Intermediate Microeconomics, Columbia, teaching fellow for Mark Dean, 2015  
Introduction to Econometrics, Columbia, teaching fellow for Christoph Rothe, 2014

## Job Market Paper

### **The Labor Market Spillovers of Job Destruction** (with Michael Blank)

This paper examines how job destruction impacts labor market conditions after recessionary shocks. To estimate the causal general equilibrium effect of job destruction, we combine administrative data on employment relationships with variation in the idiosyncratic layoff behavior of large firms across U.S. local labor markets. Workers who lose their job in a labor market with a one-percentage-point greater increase in the local job destruction rate experience a persistent \$700 (1.2%) greater reduction in annual earnings in the following six years, reflecting lower employment in the short term and lower-paying jobs in the medium term. These spillover effects account for one-third of the higher cost of job loss in recessions versus expansions and imply that each marginal job loser imposes an annual cost of approximately \$17,000 on other workers in the same labor market. To assess the aggregate effects of increased job destruction rates, we develop a general equilibrium search model featuring heterogeneous firm productivity, endogenous separations, and human capital scarring in unemployment. To account for the magnitude and persistence of our spillover estimates, the model

requires that an increase in job loss lower the equilibrium job-finding rate, limiting workers' human capital accumulation and reallocation to more productive firms. Following negative shocks to aggregate productivity, a policymaker aiming to stabilize output should increase job retention subsidies, even though it would slow the cleansing of low-productivity jobs.

## Working Papers

### **Firms, Credit Cycles, and the Labor Market** (with Michael Blank)

Aggregate credit booms may induce firms to create jobs that bolster the long-run productivity of workers. Conversely, these jobs might be destroyed once the economy declines, displacing workers and impairing their human capital. We use administrative data from the U.S. Census Bureau to estimate the causal effects of loose credit conditions on firm employment and worker earnings. To obtain random variation in which firms borrow during booms, we exploit the segmentation of high-yield (BB+ rated) versus investment-grade (BBB- rated) firms in credit markets. Loose credit conditions causally generate a boom-bust cycle in employment: high-default risk firms initially engage in heavy job creation, but then experience financial distress and destroy these jobs over the next five years. We show that these boom-bust dynamics are transmitted to workers. To obtain random variation in which workers take the jobs created during booms, we exploit the importance of parental connections in determining where labor market entrants first work. We find that recent high-school graduates with parents at high-yield (BB+) firms can more easily find high-paying jobs during credit booms, compared to graduates with parents at investment-grade (BBB-) firms. But ten years later, graduates with BB+ parents have substantially lower relative earnings. The magnitude of these negative long-term effects is comparable to the effect of entering the labor market during a recession. Overall, our results suggest that loose credit market conditions cause firms to create short-lived jobs that make workers more exposed to aggregate downturns and that stunt these workers' human capital accumulation.

### **Household Liquidity and Macroeconomic Stabilization: Evidence from the CARES Act** (with Sean Lee)

We estimate the impact of household liquidity provision on macroeconomic stabilization using the 2020 CARES Act mortgage forbearance program. We leverage intermediation frictions in forbearance induced by mortgage servicers to identify the effect of reducing short-term payments with little change in long-term debt obligations on local labor market outcomes. Following statewide business reopening after the initial pandemic shutdowns, a one percentage point increase in the share of mortgages in forbearance leads to a 30 basis point increase in monthly employment growth in non-tradable industries. In a model incorporating geographical heterogeneity in intermediation frictions, these responses imply a household-level marginal propensity to consume out of increased liquidity that aligns with existing estimates for direct fiscal transfers. The implied debt-financed fiscal multiplier effects of forbearance are sizable but depend on the repayment terms of deferred payments and the monetary policy stance.

## Papers in Progress

### **Optimal Design of Job Retention Subsidies and Unemployment Insurance** (with Michael Blank)

### **Contractual Wage Rigidity and Layoffs: Evidence from Administrative Payroll Data** (with Michael Blank)

## Publications (Genetics)

Hill W.D., R. E. Marioni, O. Maghzian, S. J. Ritchie, S. P. Hagenaars, G. Davies, A. M. McIntosh, C. R. Gale, and I. J. Deary. 2019. “**A combined analysis of genetically correlated traits identifies 187 loci and a role for neurogenesis and myelination in intelligence.**” *Molecular Psychiatry* 24 (2): 169-181.

Lee J.J., R. Wedow, A. Okbay, E. Kong, O. Maghzian, M. Zacher, ..., P.D. Koellinger, P. Turley, P.M. Visscher, D.J. Benjamin, and D. Cesarini. 2018. “**Gene discovery and polygenic prediction from a 1.1-million-person GWAS of educational attainment.**” *Nature Genetics* 50 (8): 1112-1121.

Turley, P., R.K. Walters, O. Maghjian, A. Okbay, J. J. Lee, M.A. Fontana, T.A. Nguyen-Viet, N.A. Furlotte, 23andMe Research Team, Social Science Genetic Association Consortium, P. Magnusson, S. Oskarsson, M. Johannesson, P.M. Visscher, D. Laibson, D. Cesarini, B. Neale, and D.J. Benjamin. 2018. “Multi-trait analysis of genome-wide association summary statistics using MTAG.” *Nature Genetics* 50 (2): 229-237.

**Seminars & Conferences**      Scheduled: Federal Reserve Bank of Boston  
2024: Western Finance Association Conference

**Academic Service**      Referee for: *Quarterly Journal of Economics*, *American Economic Review: Insights*  
Student Organizer, Harvard Macroeconomics Graduate Student Workshop (2021-2022)  
Student Organizer, Harvard Macroeconomics Reading Group (2021-2022)

**Research Grants**      Molly and Domenic Ferrante Fund, Harvard University 2021  
Chae Family Fund, Harvard University, 2022, 2023

**Software skills**      Python, Stata, R, MATLAB, Julia