

<u>Placement Officer:</u>	Julie Cullen	(858) 822-2056	jbcullen@ucsd.edu
<u>Placement Assistant:</u>	Rebecca Franco	(858) 534-1867	refranco@ucsd.edu
<u>Placement Assistant:</u>	Suzi Harlow	(858) 822-3502	sharlow@ucsd.edu

HOME ADDRESS AND TELEPHONE

7920 Avenida Navidad #136
San Diego, CA 92122
(215) 498-8166
kbuzard@ucsd.edu
<http://dss.ucsd.edu/~kbuzard>

OFFICE ADDRESS AND TELEPHONE

Department of Economics, 0508
University of California, San Diego
9500 Gilman Drive
La Jolla, CA 92093-0508
(215) 498-8166

CITIZENSHIP: United States of America

UNDERGRADUATE STUDIES:

B. A., International Area Studies, Drexel University, *summa cum laude*, 2001

GRADUATE STUDIES:

Masters of European Economic Studies, College of Europe, Bruges, Belgium, 2002

THESIS TITLE: Sub-national incentives competition for FDI in developing countries

Ph.D., Economics, University of California, San Diego, 2007 to present

THESIS TITLE: Essays on International Trade Agreements and Contracts

EXPECTED COMPLETION DATE: June 2012

THESIS COMMITTEE AND REFERENCES:

James Rauch (Co-Chair)
Department of Economics
University of California, San Diego
9500 Gilman Drive
La Jolla, CA 92093-0508
858-534-2405
jrauch@ucsd.edu

Joel Watson (Co-Chair)
Department of Economics
University of California, San Diego
9500 Gilman Drive
La Jolla, CA 92093-0508
858-534-6132
jwatson@ucsd.edu

Marc-Andreas Muendler
Department of Economics
University of California, San Diego
9500 Gilman Drive
La Jolla, CA 92093-0508
858-534-4799
muendler@ucsd.edu

Gerald Carlino
Research Department
Federal Reserve Bank of Philadelphia
Ten Independence Mall
Philadelphia, PA 19106
(215) 574-6434
Jerry.Carlino@phil.frb.org

DESIRED TEACHING AND RESEARCH:

Primary Fields: International Trade, Contract Theory

Secondary Fields: Political Economy, Urban/Regional

TEACHING EXPERIENCE:

- 2011 Instructor, UCSD
Undergraduate Game Theory
- 2007-Present Teaching Assistant, UCSD
International Trade, Global Integration of Latin America, Game Theory,
Principles of Microeconomics, Principles of Macroeconomics

RELEVANT POSITIONS HELD:

- 2002-2007 Federal Reserve Bank of Philadelphia, Philadelphia, PA.
Economic Analyst, Research Department
- 2000 Philadelphia Department of Commerce, Philadelphia, PA.
Business Attraction Specialist, Mayor's Business Action Team
- 1999 European Parliament, Brussels, Belgium
Intern for committee, plenary and research work

HONORS, SCHOLARSHIPS, AND FELLOWSHIPS:

- 2011 UCSD Clive Granger Research Fellowship
- 2011 UCSD Summer Graduate Teaching Fellowship
- 2010 UCSD Economics C. Phil Research Fellowship
- 2010 UCSD Economics Walter P. Heller Award: Honorable Mention for Third Year Paper
- 2010 UCSD Economics Teaching Assistance Excellence Award
- 2009 UCSD Economics Graduate Student Grant
- 2008-2010 UCSD Summer Graduate Research Fellowship
- 2001-2002 Fulbright Fellowship for Study Abroad in Belgium

PUBLICATIONS:

“Contract, Renegotiation, and Hold Up: Results on the Technology of Trade and Investment” (with Joel Watson), *Theoretical Economics*, May 2012 (in press).

This paper examines a class of contractual relationships with specific investment, a non-durable trading opportunity, and renegotiation. Trade actions are modeled as individual and trade-action-based option contracts (“non-forcing contracts”) are explored. The paper introduces the distinction between divided and unified investment and trade actions, and it shows the key role this distinction plays in determining whether efficient investment and trade can be achieved. Under a non-forcing dual-option contract, the party without the trade action is made residual claimant with regard to the investment action, which induces efficient investment in the divided case. The unified case is more problematic; here, efficiency is typically not attainable but the dual-option contract is still optimal in a wide class of settings. More generally, the paper shows that, with ex post renegotiation, constraining parties to use “forcing contracts” implies a strict reduction in the set of implementable value functions.

“Spatial Distribution of R&D Activity in the United States,” (with Gerald A. Carlino), In *Handbook of Economic Geography and Industry Studies*, F. Giarratani, G. Hewings, and P. McCann, eds. Cheltenham: Edward Elgar Publishing, forthcoming.

This study details the location patterns of R&D labs in the U.S., differing from past studies in a number of ways. First, rather than looking at the geographic concentration of manufacturing firms, we consider the spatial concentration of private R&D activity. Second, rather than focusing on the concentration of *employment* in a given industry, we look at the clustering of individual R&D *labs* by industry. Third, following Duranton and Overman

(2005), we look for geographic clusters of labs that represent statistically significant departures from spatial randomness using simulation techniques. We argue that the high spatial concentration of R&D activity facilitates the exchange of ideas among firms and aids in the creation of new goods and new ways of producing existing goods. We find evidence that localized knowledge spillovers are important for innovative activity.

“The Geography of Research and Development Activity in the U.S.,” (with Gerald A. Carlino), *Business Review*, Third Quarter 2008, Federal Reserve Bank of Philadelphia.

In the U.S., metropolitan areas contain the largest concentrations of people and jobs. Spatial concentration is even more pronounced among establishments that do basic research and development (R&D). Using novel data on R&D laboratories, we show that geographic concentration of R&D extends beyond locations such as Silicon Valley and that, in fact, many types of R&D establishments are highly concentrated geographically.

JOB MARKET PAPER:

Trade Agreements, Lobbying and Separation of Powers (Job Market Paper)

This paper presents a model of international trade agreements in which the executive branches of each government negotiate agreements while the legislative branches, subject to political pressure, can disrupt them. Lobbying is in the style of Grossman and Helpman (1994) with a new feature: all actors face uncertainty arising from the complexity of the legislative process. I demonstrate that the lower the executives set trade agreement tariffs, the more effort lobbies put forth to induce the legislatures to disrupt the agreement. Thus trade agreements act as a domestic political commitment device: executives set relatively high tariffs to discourage lobbying and help the legislatures to withstand political pressure. This reconciles the result from tests of Grossman and Helpman's model that protection levels are high relative to contributions given estimates of governments' social-welfare weights. Moreover, this rich modeling of the political process reveals that tariffs, lobbying and the likelihood of trade disruptions vary systematically with how much uncertainty there is about the weight the median legislators place on the profits of politically-organized industries.

RESEARCH IN PROGRESS:

Self-enforcing Trade Agreements, Dispute Resolution and the Separation of Powers, October 2011

If external enforcement of international trade agreements is not available in an environment in which one branch of government retains final authority over tariff levels (call it the legislature) while delegating the task of trade-agreement formation to another (call it the executive), the possibility of renegotiation affects the design of trade agreements in several ways. First, because delegation can be revoked, agreements should discourage abrogation of the agreement by the legislature, assumed here to be subject to endogenous political pressure. At the same time, repeated interaction must be used to sustain cooperation in the face of prisoners' dilemma-style incentives and any punishment scheme be robust to renegotiation. Taking these two, often-conflicting, objectives into account generates new predictions for the optimal design of mechanisms to resolve disputes that arise in the course of a trade-agreement relationship.

Explaining Gradualism in Trade Agreements: A Political Economy Approach, August 2010

A notable feature of many international trading relationships is the gradual way in which barriers to trade have been dismantled in the post-war period. This paper argues that one means by which trade agreements can be deepened gradually over time is via a slow process of weakening the political influence of import-competing lobbies. The model features two large countries, each of which has a politically-motivated government and a specific-factors economy with an entrepreneur who has a monopoly on production in the import-competing sector. Preliminary analysis suggests that a combination of consumption-smoothing on the part of the entrepreneur and the dynamics induced by carefully accounting for renegotiation when the agreement must be self-enforcing will generate a gradual reduction in both the political power of the lobby and the tariff it receives.

What's in a City? The Impact of Local Characteristics on Innovation, March 2011

Previous work has established that many types of R&D establishments are highly concentrated geographically, most often in cities. We employ a panel data set of firm-level characteristics including inputs to innovation such as R&D expenditure and laboratory location, employment, fixed capital and sales as well as geographic characteristics such as human capital, average firm size, industry mix, academic R&D, and the number of nearby private, academic and government laboratories. Using a specification of a production function for knowledge, we explore how local characteristics impact productivity in the production of ideas.

CONFERENCE PRESENTATIONS:

“Contract, Renegotiation, and Hold Up”

2009-2010 Southwest Economic Theory Conference

2008-2009 International Conference on Game Theory (Stony Brook)

PROFESSIONAL ACTIVITIES:

Journal referee: American Economic Review
 Games and Economic Behavior
 Journal of Public Economics

Conference participation:

2005, 2010 Allied Social Science Associations Annual Meeting

2009-2010 Stanford Institute for Theoretical Economics: The Economic Analysis of Trade Agreements,
 Stanford University

2008-2009 20th Jerusalem Summer School in Economic Theory: The Economics of Contracts, The Institute
 for Advanced Studies at The Hebrew University

2003-2005 North American Meetings of the Regional Science Association

ACADEMIC SERVICE:

2010-2011 Graduate Program Committee, UCSD Department of Economics

2009-2010 Graduate Program Committee, UCSD Department of Economics

2008-2009 Graduate Teaching Prize Committee, UCSD Department of Economics

2007-2008 Graduate Teaching Prize Committee, UCSD Department of Economics

COMPUTER SKILLS:

Advanced SAS, Stata, SpaceStat, ArcGIS, Excel

Intermediate Access, Matlab

Familiarity E-views, Rats, PcGive/GiveWin, Basic

LANGUAGES:

Native English

Proficient French

Intermediate Spanish

Beginner Japanese, Dutch