

## University of Minnesota - Twin Cities

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### *Placement Director*

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## Curriculum Vitae

Fall 2009

## CTIRAD SLAVÍK

### Personal Data

#### *Home Address*

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### Major Fields of Concentration

Macroeconomics, Public Finance, Monetary Economics, Financial Economics

### Education

<i>Degree</i>	<i>Field</i>	<i>Institution</i>	<i>Year</i>
Ph.D.	Economics	University of Minnesota (expected)	2010
M.A.	Economics	University of Minnesota	2009
M.A.	Economics	CERGE-EI	2005
M.A.	Economics	Charles University, Prague	2003
B.A.	Economics	Charles University, Prague	2000

### Dissertation

Title: "Essays on Dynamic Economies with Frictions"

Dissertation Advisor: Professor Narayana Kocherlakota and Professor Larry E. Jones

Expected Completion: Summer 2010

### References

Dr. Narayana Kocherlakota	(612) 625-3810 koche050@umn.edu	Federal Reserve Bank of Minneapolis 90 Hennepin Avenue Minneapolis, MN 55480-0291
Professor Larry E. Jones	(612) 624-4553 (612) 204-5519 lej@umn.edu	Department of Economics University of Minnesota 4-101 Hanson Hall 1925 Fourth Street South Minneapolis, Minnesota 55455
Professor Fabrizio Perri	(612) 625-7504 (612) 204-5526 fperri@umn.edu	
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## Honors and Awards

- 2008 *Hardy Third-Year Paper Competition*, 2<sup>nd</sup> place, for “Tough Love for Lazy Kids: Dynamic Insurance and Equal Bequests,” joint with Kevin Wiseman, Department of Economics, University of Minnesota, Minneapolis, Minnesota.
- 2005 - 2006 *Graduate School Fellowship*, University of Minnesota, Minneapolis, Minnesota.
- 2005 *CERGE-EI / World Bank Research Fellowship* for CERGE-EI 2<sup>nd</sup> year students, CERGE-EI, Charles University, Prague.
- 2004 - 2005 *Performance Stipend*, CERGE-EI, Charles University, Prague.
- 2003 *Dean’s Special Commendation* for an excellent Diploma Thesis and the Final State Examination performance, Charles University, Prague.
- 1998 - 2000 *Performance Stipend*, Charles University, Prague.

## Teaching Experience

- 2006 - 2007 *Recitation Leader*, Department of Economics, University of Minnesota, Minneapolis, Minnesota. Led recitations sections for the graduate macroeconomics sequence.
- 2004 - 2005 *Teaching Assistant*, CERGE-EI, Charles University, Prague. Led recitation sections for graduate level *Microeconomics 1* and graduate level *Macroeconomics 3*.
- 2002 - 2003 *Teaching Assistant*, Charles University, Prague. Led recitation sections for undergraduate level courses *Macroeconomics 1* and *Macroeconomics 2*.

## Research Experience

- 2007 - Present *Research Analyst*, Research Department, Federal Reserve Bank of Minneapolis, Minneapolis, Minnesota. Research Assistant to Professor Fabrizio Perri.
- 2004 *Research Assistant*, CERGE-EI, Charles University, Prague. Research Assistant to Professor Libor Dušek.

## Publications

- “Real Convergence of the Czech Republic to the EU in Comparison with Other New Member Countries,” (in Czech), *Politická ekonomie*, 1/2007, p. 23-40.
- “Budget Deficit and Healthcare Financing,” (in Czech), joint with L. Goláň, p. 98-116, in Cahlík, T. and J. Marková (eds.) *The Czech Economy in the Context of the EU*, Center for Economic and Social Analyses, 2004, ISBN 80-86103-75-7.

## Papers

- “Asset Prices and Business Cycles with Financial Frictions,” joint with Pedram Nezafat.
- “Tough Love for Lazy Kids: Dynamic Insurance and Equal Bequests,” joint with Kevin Wiseman.

## Presentations

- “Tough Love for Lazy Kids: Dynamic Insurance and Equal Bequests,” presented at Chicago – Minnesota Student Conference, University of Chicago, April 2009.

## Professional Activities

- Referee for *Journal of Economic Theory*, *Global Development Network*, and *Czech Science Foundation (GAČR)*

## **Computer Skills**

Matlab, Stata, LaTeX

## **Languages**

Czech (native), English (fluent), German (fluent), Spanish (fluent), Russian (basic)

## **Dissertation Abstract**

**Essay 1:** “Asset Prices and Business Cycles with Financial Frictions,” Job Market Paper,  
with Pedram Nezafat

Existing dynamic general equilibrium models have failed to explain the high volatility of asset prices that we observe in the data. We construct a general equilibrium model with heterogeneous firms and financial frictions that addresses this failure. In each period only a fraction of firms can start new projects, which cannot be fully financed externally due to a financial constraint. We allow the tightness of the financial constraint to vary over time. Fluctuations in the tightness of the financial constraint result in fluctuations in the supply of equity and consequently in the price of equity. We calibrate the model to the U.S. data to assess the quantitative importance of fluctuations in the tightness of the financial constraint. The model generates a volatility in the price of equity comparable to the aggregate stock market while also fitting key aspects of the behavior of aggregate quantities.

**Essay 2:** “Tough Love for Lazy Kids: Dynamic Insurance and Equal Bequests,” with Kevin Wiseman

Simple theories about why parents give money to their children fail to explain a central puzzle in inter-generational transfers: While they are alive, parents give more money to their poorer children. When they leave bequests, most parents divide money equally among their children. We develop a model in which parents differentiate between gifts and bequests to help their children more effectively. Parents are able to use future income uncertainty to provide the children with more help and better incentives. We show that in our model poor children get more in gifts than richer children and bequests are equal for all children under some parameterizations. We build a richer quantitative model to compare the explanatory power of our model as compared with a perfect altruism model when parameters are picked to match US income and wealth data. We find that our model significantly reduces the costs needed to rationalize equal division of bequests.