

Paul W. Thomas

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EDUCATION

Ph.D. Economics	Purdue University	Expected August, 2018
M.S. Economics	Purdue University	2013
B.A. Economics and Business	University of Dayton	2011
B.S. Psychology	University of Dayton	2011

Committee: Kevin Mumford (chair), Jack Barron, Tim Bond, Mohitosh Kejriwal

AREAS OF INTEREST

Labor Economics, Economics of Education, Public Economics

RESEARCH

Working Papers:

“Childhood Family Income and Adult Labor Market Outcomes: Evidence from the EITC”
[Job Market Paper]

“Fertility Response to the Tax Treatment of Children”
(with Kevin Mumford)

“Impact of Labor Market Conditions on College Major Choices”
(with Xiaoxiao Li and Kan Yue)

Work in Progress:

“Does Wealth Affect Marital Status?”

RESEARCH EXPERIENCE

Research Assistant to Professors:

Kevin Mumford	Spring 2014, Fall 2014, Summer 2015-Fall 2017
David Hummels	Spring 2014, Fall 2014, Summer 2015-Fall 2016
Tim Bond	Fall 2014, Summer 2016-2017
Mike Watts	Summer 2013

TEACHING EXPERIENCE

Course Instructor	<i>Principles of Macroeconomics</i> [Mean rating = 4.5]	Spring 2015
Course Instructor	<i>Principles of Macroeconomics</i> [Mean rating = 4.6]	Summer 2014
Teaching Assistant	<i>Principles of Macroeconomics</i>	Spring 2015
Teaching Assistant	<i>Graduate Microeconometrics</i>	Fall 2014
Recitation Instructor	<i>Principles of Microeconomics</i> [Mean rating = 4.0]	Spring 2013

AWARDS

Krannert School of Management	<i>Award for Distinguished Teaching</i>	Spring 2015
Krannert School of Management	<i>Award for Outstanding Teaching</i>	Summer 2014
Krannert School of Management	<i>Award for Outstanding Recitation Teaching</i>	Spring 2013

CONFERENCE PRESENTATIONS

Midwest Economics Association	Evanston IL, April 2016
Krannert PhD Research Symposium	West Lafayette IN, November 2016
National Tax Association	Philadelphia PA, November 2017

MEMBERSHIP

American Economic Association, Midwest Economics Association

OTHER ACTIVITIES

Vice President of Teaching - Krannert Doctoral Student Association (2016-2017)

SKILLS

Stata, Matlab, LaTeX

REFERENCES*

Kevin Mumford	Timothy N. Bond	John M. Barron
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*Contact Matt Pavey (mpavey@purdue.edu) to obtain letters of recommendation from these references.

Abstracts

“Childhood Family Income and Adult Labor Market Outcomes: Evidence from the EITC” [Job Market Paper]

Many researchers have explored the impact of family income on children by utilizing structural changes in the Earned Income Tax Credit (EITC). However, most of this previous research focuses on childhood outcomes, such as effects on the child's performance in school or effects on health and behavior. This paper is unique in that it estimates the effect of childhood family income on adult outcomes. In order to overcome the confounding relationship between childhood family income and future employment, this paper uses the structural changes made to the EITC, specifically the substantial changes made during the 1990's, as an exogenous income shock. The main covariate of interest, potential family EITC payments per child from age 6 to 11, is constructed using the NBER TAXSIM calculator. Estimates show that the EITC expansions had a positive impact on employment and labor force participation. These effects are driven by those from families who remained low income throughout their childhood. These individuals also experience a positive impact on earnings and educational attainment from the EITC expansions.

“Fertility Response to the Tax Treatment of Children” (with Kevin Mumford)

This paper uses child subsidy changes driven by changes to the state and federal personal income tax to estimate the effect of the cost of raising a child on fertility. Using data from the Panel Study of Income Dynamics, we estimate that a \$1,000 decrease in the cost of raising a child does not have a statistically significant effect on the likelihood of having a child in the next two years. However, there is a strong, positive fertility effect for low income women age 30-39. This result is robust to falsification exercises and there does not seem to be a significant difference between subsidy changes driven by either the Earned Income Tax Credit or the Child Tax Credit relative to those driven by all other changes in the tax code. It is important to note that our results are estimated from actual tax changes experienced by people in the US and changes due to policy from one year to the next are fairly small.

“Impact of Labor Market Conditions on College Major Choices” (with Xiaoxiao Li, and Kan Yue)

A growing literature emphasizes the importance of human capital investment through college education. College major choice is a dynamic decision associated with future earnings, students' abilities and economic stability. This paper studies the effect of labor market conditions on major switching behavior. We explore a rich administrative data set that covers the complete educational path of each Purdue college student. We find that students start in difficult majors with high expected mid-career earnings. Before entering the market, they are likely to switch into easier majors with high expected early-career earnings. Results from propensity score matching show that switchers stay longer in college, while there is little improvement in GPA compared to non-switchers with similar SAT scores and first-year GPA. We quantify the cost of switching and investigate the welfare effects of major switching by college.