

# Thomas Walsh

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## Current Position

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**European University Institute,**  
PhD Candidate in Economics

2017 – 2023 (expected)

References:

**Russell Cooper**

Professor of Economics  
EUI

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**Thomas Crossley**

Professor of Economics  
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**Edouard Challe**

Professor of Economics  
EUI

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## Research Interests

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Macroeconomics, Labour Economics, Monetary and Fiscal Policy, Econometrics

## Job Market Paper

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### 1. **Job Search and the Threat of Unemployment Benefit Sanctions**

*How does the threat of punishment in the unemployment insurance system affect job search behaviours and subsequent labour market outcomes? This paper uses a difference-in-differences design, leveraging the differential response of districts to sanctioning policy reform in the United Kingdom during the early 2010s to examine the impact of unemployment benefit sanctioning threat on jobseeker exit from unemployment and future outcomes. Using working life histories constructed from panel survey data, results show that average district sanctioning rate increases exit speed from unemployment. The effect is driven mostly by transitions into employment, and early retirements of those aged over fifty. Treated districts experience more churn in the labour market – the unemployed start to experience more cumulative spells of unemployment compared to the control, and the probability that the next spell of continuous employment reaches one, two and three years falls. Overall, causal estimates are consistent with workers substituting market insurance for missing social insurance.*

## Working Papers and Work in Progress

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### 2. **Sectoral Volatility and the Investment Channel of Monetary Policy** (with *Ozgen Ozturk*, Slides, SSRN)

*How does the dispersion of firm-level shocks affect the investment channel of monetary policy? Using firm-level panel data, we construct several measures of dispersion of shocks, time-pooled and time-varying, and interact high-frequency identified monetary policy shocks with these measures of idiosyncratic shock volatility. We document a novel fact: monetary policy has dampened real effects via the investment channel when firm-level TFP shock volatility is high. Our estimates for dampening effects of volatility are statistically and economically significant – moving from the tenth to the ninetieth percentile of the volatility distribution approximately halves point estimates of impulse response functions to contractionary monetary policy shocks. Given that dispersion rises in recessions, these findings offer further evidence as to why monetary policy is weaker in recessions, and emphasize the importance of firm heterogeneity in monetary policy transmission.*

### 3. **Government Spending Multipliers in Firm-level Production Networks: Size versus Centrality** (with *Wolfram Horn*, draft coming soon)

### 4. **Making the Cut: Close Elections and Local Welfare Policies** (with *Nikolaj Broberg* and *Tuuli Tahtinen*, draft coming soon)

## Presentations

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**2022**

- Ruhr Graduate School Doctoral Conference
- Spring Meeting of Young Economists, *University of Orleans*
- EUI Alumni Conference, *European University Institute* (poster)
- Money, Macro and Finance (MMF) Society Annual Conference, *University of Kent*
- Naples School of Economics and Finance PhD and Post-Doctoral Workshop, *University of Naples*

## Teaching Experience

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**Time Series Econometrics**, *EUI PhD First Year Course*.

- TA for Jesus Bueren (2022, 2020)
- Russell Cooper (2020)
- Juan Dolado (2019)

**Dynamic Factor Demand** (Firm Dynamics), *EUI PhD Second Year Course* (2020)

- TA for Russell Cooper

**Debt and the Macroeconomy**, *Florence School of Finance Short Course* (2022)

- TA for Moritz Schularick

## Prior Education

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**European University Institute** 2018  
MRes in Economics

**Barcelona Graduate School of Economics (BGSE)** 2014  
MSc in Economics

**University of Bristol** 2011  
BSc Economics and Econometrics

## Prior Work Experience

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**European Central Bank** 2016/17  
Analyst, External Developments/DG International

**European Commission** 2015/16  
Analyst, Macroeconomy of Euro Area/DG Economics and Finance ECFIN

**Bruegel** 2014/15  
Research Assistant, Macro and International Economics

**Uni. Glasgow, Social and Public Health Sciences Unit** 2012  
Research Assistant

**Uni. Bristol, Centre for Market and Public Organisation** 2011  
Research Intern

## Other Skills

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**Software:** Stata, Matlab, Julia, R

**Languages:** English (native) Spanish (good/decent) Italian, French, German (basic)

Last updated: January 2023