

ARMELA MANCELLARI

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Citizenship: United States and Albania

EDUCATION

Pennsylvania State University (PSU) – State College, PA, USA **Aug 2014 – June 2021**

Ph.D. in Economics

Fields: International Economics, Development Economics, Labor Economics

Committee chair: Stephen Yeaple

Committee members: Jonathan Eaton, James Tybout, David Abler

London School of Economics (LSE) – London, UK **Sep 2011 – Jul 2012**

M.Sc. in Economics, concentration in Monetary Economics

American University in Bulgaria – Blagoevgrad, Bulgaria **Sep 2004 – May 2008**

B.A. in Economics (Cum Laude) and B.A. in Business Administration

SELECTED RESEARCH

[Dynamic labor demand and informality](#) (job market paper, new draft coming soon)

Formal firms across the size distribution face static and dynamic incentives to employ informal labor. In this paper, I explore the implications of these incentives for resource allocation within and across firms and for policies that address informality. I build and estimate a structural model in which firms employ informal labor to evade payroll taxes--a static incentive--and to avoid the adjustment costs incurred when hiring or firing formal workers--a dynamic incentive. Formal firms do not report informal labor. I overcome this obstacle with a novel strategy that exploits a 2015 shock to the enforcement of Albanian tax laws to extract information about firms' use of informal labor which I use to estimate the model. I reach three conclusions. First, I show that the gains in allocative efficiency that accrue to better enforcement of labor laws are far more modest after accounting for firms' dynamic incentives to use informal labor to adjust to shocks. Second, failing to account for informal labor results in an overstatement of formal labor adjustment costs by a factor of two. Intuitively, firms use informal labor to avoid the cost of varying output, and, thus, the reported data understates variation in their actual use of labor. Third, I show that reducing the costs of rigidities in formal labor markets is as effective as enhanced enforcement in reducing the aggregate informal share of employment.

[Tax arbitrage and global sourcing](#)

Foreign demand, wages, and informal employment (draft coming soon)

Upstream Effects of USMCA's Labor Provisions: Implications for Mexican Automobile Workers

with [Alejandra Lopez Espino](#)

Fair lending implications of the distribution of U.S. Paycheck Protection Program loans

OLDER RESEARCH

Jaime de Melo and Armela Mancellari. [Regional and Global Trade Strategies for Liberia](#). Working Paper P103. FERDI, 5 2014

Armela Mancellari. [Macroeconomic Effects of Fiscal Policy: a SVAR Approach](#). Bank of Albania Working Paper. 8 2011

Armela Mancellari. [Nowcasting Quarterly GDP in Albania](#). Bank of Albania Working Paper. 11 2010

WORK EXPERIENCE

US Treasury's Office of the Comptroller of the Currency – Washington, DC **Aug 2021 – present**
Financial Economist

- Compliance Risk Analysis Division within Supervision Risk and Analysis

Barclays Capital – London, UK **Mar 2014 – Jul 2014**
UK Economist

- Produce research analysis on macroeconomic developments and forecasts on key indicators such as GDP, inflation, industrial production, and trade

International Growth Centre at LSE – London, UK **Jun 2012 – Mar 2014**
Economist

- Oversee IGC Country Programs of Ethiopia, Liberia, Pakistan, and Sierra Leone and the Research Program
- Support research-policy interface and facilitate research projects to meet country demands/priorities

Bank of Albania – Tiranë, Albania **Nov 2008 – Sep 2011**
Researcher, Macroeconomic Modeling Unit, Research Department

- Develop, enhance, and maintain the Macroeconometric Model for the Albanian Economy (MEAM)

National Commercial Bank, Tiranë, Albania **Jul 2008 – Oct 2008**
Credit Analyst – Corporate Banking

TEACHING

Instructor – Macroeconomic Analysis (PSU World Campus – Summer 2018)

Teaching assistant – Macroeconomic Analysis (PSU University Park, 2014, 2015, 2016, 2017), Intermediate Macroeconomics (PSU World Campus, 2015, 2017), Advanced International Trade (PSU World Campus, 2018), International Finance (PSU World Campus, 2018), Introduction to Economics (University of Tirana, 2008)

FELLOWSHIPS

Pennsylvania State University Dissertation Support Fellowship (2019)

Rosenberg Liberal Arts Centennial Graduate Endowment in Economics (2017)

SKILLS

Programming: EViews, Stata, MATLAB and L^AT_EX.

Languages: Albanian (native), English (fluent), Italian (intermediate), Spanish (basic).