

SACHA DRAY

London School of Economics and Political Science
Department of Economics

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GENDER: Male

CITIZENSHIP: French

EDUCATION

2018 - <i>Present</i>	PhD in Economics	London School of Economics
2020 - 2021	Visiting PhD student	Harvard University
2016 - 2018	MRes in Economics (<i>with Distinction</i>)	London School of Economics
2013 - 2016	Master's in Economics and Public Policy	Sciences Po Paris
2013 - 2015	BSc in Mathematics	UPMC Sorbonne University
2012 - 2013	Exchange student	University of Toronto
2010 - 2013	BA in Economics	Sciences Po Paris

RESEARCH FIELDS

Primary: Public Economics, Political Economy
Secondary: Development, Economic History, Applied Microeconomics

REFERENCES

Professor Sir Tim Besley (Advisor)

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Professor Camille Landais (Advisor)

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Professor Stefanie Stantcheva

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Littauer Center 232
Harvard University
Cambridge, MA 02138
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TEACHING EXPERIENCE:

2021 – 2022	Public Organisations: Theory and Practice	(PP450), MPA course, LSE
2021	Macroeconomics	(EC202), LSE
2018 - 2021	Political Economy	(EC302), LSE
2019	Public Finance	(EC270), LSE
2017 - 2018	Introductory Economics	(EC102), LSE

RELEVANT POSITIONS HELD:

2021 – 2022 Teaching Fellow, LSE
2017 - 2021 Graduate Teaching Assistant, LSE
2017 - 2020 Consultant, The World Bank
2016 Research Assistant, The Asian Development Bank
2014 - 2015 Research Assistant, The World Bank (DECIE-DIME)
2013 - 2014 Research Assistant, LIEPP, Sciences Po
2013 Intern, French Ministry of Budget

HONORS, SCHOLARSHIPS AND FELLOWSHIPS:

C. Lowell Harriss Dissertation Fellow, Lincoln Institute of Land Policy, 2021
ESRC Doctoral Training Scholarship, 2016-2021
ESRC Fieldwork Award, 2020
Teaching Bonus Award, LSE Department of Economics, 2019, 2020, 2021
STICERD Research Grant, 2019, 2020
Associate Fellow, UK Higher Education Academy, 2018
ESRC Collaboration Award, 2017
Award for Best Master's Thesis, Sciences Po Paris, 2016

INVITED SEMINARS AND CONFERENCE PRESENTATIONS

2021 Oxford Development Economics Workshop; IFS-UCL-LSE/STICERD Development Economics Work-in-Progress; WZB Berlin School of Economics; LSE Political Science Political Economy Seminar (PSPE)
2020 Political Economy UK Group (POLECONUK), STICERD Work in Progress Seminar (LSE)
2019 Berkeley Research Transparency and Reproducibility Training (Washington DC), STICERD Work in Progress Seminar (LSE), World Bank DIME Impact Evaluation Workshop (Senegal)

PROFESSIONAL SERVICES

Referee service: Quarterly Journal of Economics, American Economic Review: Insights, Economica, PLOS One.

Co-organizer of the STICERD PhD Work in Progress Seminar (2018-2021)

Mentor for the LSE Economics PhD Applicant Mentoring Program (AMP)

SKILLS:

Languages: French (native), English (fluent), Spanish, Italian (intermediate), Mandarin (beginner)

Software: Stata, Python, R, GIS, GitHub, LaTeX, ODK (SurveyCTO)

JOB MARKET PAPER**“Fiscal Capacity and Public Spending: Historical Evidence from U.S. Cities”**

This paper shows that fiscal capacity affects levels and patterns of public spending. Using newly collected data on municipal finances for more than 300 U.S. cities over 1910-1936, I first provide evidence that sources of revenue affect local spending. Consistent with a political agency model with source-specific asymmetric information, I find that the marginal propensity to spend on public goods provision from tax revenue is larger than that from non-tax revenue or from intergovernmental transfers. The identification strategy relies on a shift-share instrument that predicts municipal revenue by the average growth by revenue source weighted by a city's reliance on each source of revenue. Second, tax revenue increases are more durable and lead to a re-allocation of spending towards health and welfare services that persist beyond the period of revenue increase. Third, tax revenue changes are associated with long-term urban development manifested by higher individual income, greater migration and a larger workforce in the next decade.

PUBLICATIONS

“Institutions, Trust and Responsiveness: Patterns of Government and Private Action During the COVID-19 Pandemic” - With Tim Besley
LSE Public Policy Review (2021)

Why have countries responded differently to the COVID-19 pandemic? We explore the role of institutions in shaping the response of governments and citizens to the progression of the disease, both conceptually and empirically. We document a puzzling fact: countries with “good institutions” – strong executive constraints, the holding of free and fair elections and more freedom – tend to have performed worse during the initial phase of the pandemic. They have been slower to implement a lockdown and experienced a larger death toll. On the other hand, countries with higher interpersonal trust and higher confidence in government appear to have fared better. We find limited evidence of differences in mobility reduction by citizens based on institutions in their country.

RESEARCH IN PROGRESS:

“The Political Economy of Lockdown: Does Free Media Make a Difference?”, with Tim Besley

This paper explores the role of the media in how governments are reporting on and responding to the COVID-19 pandemic. In countries with free media, more deaths increase the probability of imposing a lockdown and are associated with greater reductions in mobility during lockdowns. This pattern is confirmed using predicted deaths from an epidemiological SIR model as an instrument for reported deaths. The findings can be explained by a simple model of policymaking where citizens with access to free media are better informed about the severity of the pandemic which in turn affects compliance and the decision to lock down.

“Pandemic Responsiveness: Evidence from Social Distancing and Lockdown Policy during COVID-19”, with Tim Besley

We study the determinants of social distancing during the COVID-19 pandemic using county-level data from approximately 20 million U.S. smartphones. We report three main findings. First, the extent of social distancing varies with political, economic, and cultural characteristics of counties, even after controlling for disease severity and the timing of state-level policy response. Counties with more at-risk populations, a higher share of Democrat votes in 2016, higher median income and/or higher social capital exhibit higher levels of social distancing. Second, social distancing is responsive to local outbreaks; a 1% increase in

new cases (deaths) is associated with a 3% (11%) increase in social distancing. This relationship is concentrated among richer, more educated, and more Democrat-leaning counties. Third, state-level policy responds to the evolution of the pandemic. States are 5% more likely to impose a lockdown or close non-essential shops after a 1% increase in cumulative deaths.

“How Much Do You Think About Taxes? Estimating Attention Using Salience of the Tax Schedule”

This paper measures the role of attention in the behavioral response to taxation. I use variation in salience of the income tax schedule in the UK to identify the fraction of attentive taxpayers. Phase-out of tax deductions and tax credits create non-salient marginal tax rates compared to the income tax bands. Building on Saez (2010), I develop a framework to account for inattention when estimating the elasticity of taxable income and develop four testable predictions. Analysis of the Survey of Personal Incomes (SPI) gives an estimation that about 39% of taxpayers did not pay attention to the deduction of their tax-free personal allowance.

“Emperors without Sceptres: Early Colonial Leaders' Personality and Civil Conflicts”, with Quoc-Anh Do, Elise Huillery and Jean-Louis Keene

We investigate the role of colonial leaders in shaping contemporary civil conflicts in former French colonies in Western Africa. We argue that the earliest leaders of the colonial era made key decisions in building local government that shaped local perceptions of, and interactions with, the state that led to variation in the local population's hostility towards the colonial government. Using the arguably arbitrary assignment of early colonial district leaders, we show that the personality of the first district leaders affected colonial hostility, and such hostility has led to more modern civil conflicts.

“Tax evasion and enforcement in the long run: Evidence from the U.S. property tax (1790-1940)”

How did modern states acquire the capacity of raising sufficient tax revenues? Understanding the origins of fiscal capacity can be critical for long-run economic development. A growing literature has focused on third party information to reduce tax evasion and increase the tax base. However, there may be limits to the effectiveness of third-party information alone in improving revenue collection, particularly if other elements of tax administration are weakly enforced. This work explores this question using historical evidence from 150 years of local fiscal administration of the property tax in the United States to examine local tax enforcement reforms and their success at curbing evasion and avoidance.

“Tax Rebellion and Economic Crisis: Evidence from Property Tax Delinquency During the Great Depression”

This paper explores the determinants of tax evasion that caused property tax delinquency during the Great Depression. U.S. cities experienced skyrocketing tax delinquency during 1929-1933, with cities losing on average a quarter of their tax revenue in 1933. We present two main findings. First, cities that experienced higher levels of delinquency tended to have worse housing markets situations, higher taxable property values and higher property tax rates. We also find evidence that higher enforcement and incentives for assessment were associated with limited delinquency. There is limited evidence on the influence of politics on delinquency. Second, we find that despite this tax delinquency episode being short-lived, it still affected cities up to five years later. Coming out of the Great Depression, cities hardest hit by delinquency had lower numbers of housing permits, higher property tax rates, and lower property values. We discuss a range of policy implications for these results.

“Property Taxation and Wealth in the United States”, with Camille Landais and Stefanie Stantcheva

Updated: October 2021