Carmen Villa-Llera
carmen.villa-llera@warwick.ac.uk; c.villa-llera@lse.ac.uk
Office 2.11, 32 Lincoln's Inn Fields, WC2A 3PH London
Skype: car.villa | Twitter: @cvillallera

I am an applied micro-economist currently completing a PhD in Economics at the University of Warwick. I am interested in many topics within economics, and in particular in understanding disparities in growth. My research so far has analysed spatial inequality in labour markets, and in crime outcomes, in the UK. I describe my current projects in detail in the essay that follows this document.

The NBER Innovation Research Boot Camp would be a great opportunity to learn about the questions at the frontier within the field of the economics of innovation, and to enhance my research skills at a very critical moment in my PhD. I am currently exploring what ideas to focus on for my Job Market Paper, and the Boot camp would be an invaluable opportunity in this process. I believe my expertise on spatial analysis and my interest in inequality are relevant in the economics of innovation field, and that with the support of the summer boot camp very interesting questions and research papers would come up.

My thesis supervisors at the University of Warwick are Prof. Mirko Draca - who has kindly agreed to send a letter in support of this application; and Prof. Marta Santamaria. I also work very closely with Prof. Stephen Machin, and Prof. Tom Kirchmaier at the London School of Economics. All four have encouraged me to apply to the Innovation boot camp and would be happy to support my application if you need additional references.

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Education

PhD Candidate in Economics — 2021 - 2025(E)
University of Warwick — Coventry (UK)

MRes in Economics - (Distinction) — 2019 - 2021
University of Warwick — Coventry (UK)

MA European Economic Studies — 2015 - 2016
College of Europe — Bruges (Belgium)

BA International Business & Economics — 2011 - 2015
University Pompeu Fabra — Barcelona (Spain)
Exchange semester at City University of Hong Kong — Hong Kong (HK)

Working papers

Gangs of London: Bombs, Public Housing and Crime, *with R. Disney, S. Machin and T. Kirchmaier*
Pre-print available on SSRN under title Gangs and knife crime in London
Media coverage: BBC, LSE IQ Podcast, The Economist

Work in progress

Real Wage Inequality in the UK, *with M. Draca*

The effect of regenerations on local crime, *with L. Neri and T. Kirchmaier*

The long term impact of mining closures in the UK, *with S. Machin and T. Kirchmaier*

Published policy work

Cities still matter: the impact of Covid-19 on regional structure *(2021) with M. Draca and M. Nathan* - ***CAGE***

Covid-10 and changing crime trends in England and Wales *(2020) with T. Kirchmaier* - ***CEP Covid Analysis N.13****)*
Media coverage: The Guardian, UKRI, Economics Observatory, The Mill

From mutual need to growing rift *(2019) with L. Cornago and J. Padilla* - ***Policy Network***

An economic analysis of liability of hosting services online *(2017) with J. Hornik* - ***Bruges European Economic Research, N37***

Conferences and seminars

2021 - Applied Young Economists Webinar

2019 - RES Annual Conference, CEP Crime and Policing Workshop, CSEW Crime Users Survey

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Grants and Awards

University of Warwick Scholarship to MRes/PhD programme — *2019*

Banco Santander Full Scholarship to the College of Europe — *2016*

Banco Santander PYMES Scholarship — *2014*

Merit scholarship from "Fundación Desarollo en Zonas del Carbón" — *2011*

Teaching

Senior Teaching Assistant - Industrial Economics (U) — *2021 - Present*
University of Warwick — *Coventry (UK)*
Ratings: 4.9 / 5 (online) — 4.6/5 (in person)

Online Tutor - Managerial Economics (GMBA) — *2020 - Present*
Imperial College London — *London (UK)*
Ratings: 4.16 / 5

Graduate Teaching Assistant - Industrial Economics (U) — *2017 - 2019*
The London School of Economics & Political Science — *London (UK)*
Ratings: 4.6 / 5

Other work experience

Academic collaboration — *2022 - Present*
London Metropolitan Police — *London (UK)*

Research Assistant to Prof. Draca — *2020 - 2021*
University of Warwick — *Coventry (UK)*

Research Assistant to Prof. Kirchmaier — *2017 - Present*
CEP, The London School of Economics & Political Science — *London (UK)*

Statistics Manager — *2019 - 2021*
Global Drug Survey

Associate Researcher — *2016 - 2017*
Boston Consulting Group — *London (UK)*

Skills

STATA (advanced), GIS (advanced), LaTeX(advanced), R (familiar), Python (begginer)

Languages

Spanish (mother tongue), English (TOEFL 116), French (DALF C1), Catalan (intermediate), Italian (beginner)

Other activities and interests

Treasurer of the Hispanic Society at the College of Europe (2016)

Member of the Student United Nations Association of University Pompeu Fabra (2013-2015)

Mathematics and guitar private tutor (2010-2015)

Department of Economics

15th January 2022

Name:	Carmen Villa Llera
ID Number:	1991727
Course:	L1P2 - Economics (Research)
Year:	1

Postgraduate Research Module Results

2019 - 2020	
EC9A1-35 Advanced Microeconomic Theory	78
EC9A2-35 Advanced Macroeconomic Analysis	62
EC9A3-35 Advanced Econometric Theory	65
EC9AA-15 The Practice of Economics Research	70
2020 - 2021	
EC9B4-60 MRes Dissertation	65
EC9B8-12 Topics in Advanced Economic Theory I	75
EC9C3-12 Topics in Industrial Organisation and Data Science	74
EC9C5-12 Topics in Labour Economics	73
EC9C8-12 Topics in Advanced Econometrics	86

Please note:



Jeremy Smith
The University of Warwick
Professor of Economics and Head of Department
Department of Economics

Department of Economics
The University of Warwick
Coventry CV4 7AL
Tel: +44(0)24 7652 3055
Fax: +44(0)24 7652 3032

My research explores different aspects of spatial inequality. So far I have worked on differences in crime outcomes, industrial structure, and real wages. My current projects are co-authored with Professors in various universities, and are at different stages of the research process. My objective for the coming years is to finish these projects, and also to produce my first single-author paper. Below I describe my current projects, my future research, and how I believe the boot camp would help me achieve my professional ambitions.

Current research

Gangs of London: Public Housing, Bombs and Knives - joint with R. Disney, S. Machin, and T. Kirchmaier
In this project we explore how the spatial distribution of public housing in London affects the location of gangs. We leverage bombs dropped during WWII as an exogenous shock to urban development, and show that areas which were bombed are more likely to have high-rise council estates (projects as they are called in the US). The study shows that high-rise post-war buildings are much less likely to have been sold off through policy schemes like Right To Buy, and hence much less likely to undergo a process of gentrification. This leads to pockets of London having higher concentration of populations living in poverty, which leads to a higher probability of gangs forming. The study also shows that these areas have higher knife crimes and drug trafficking rates.

Real Wage Inequality in the UK - joint with M. Draca
In this project we analyse the differences in wages, distribution of occupations, and living costs in England and Wales. We are currently exploring the data, and preparing a first draft. So far our findings show that decades of urbanisation have led to the concentration of high-skill occupations in cities, in line with the findings of Moretti (2013). However, while wages increased during the 1990s, in recent decades they seem to have been relatively stagnant. This fact, together with the observed increase in housing costs in cities, points at a real wage decline in urban areas. Our paper explores these aspects, the role of occupational concentration in explaining wage differentials, and the welfare implications of the location choices of different individuals.

Long term impact of mining closures in the UK - joint with S. Machin and T. Kirchmaier
In this paper (currently in the data-gathering phase) we want to understand the long-term impact of the closure of mines in the 1980s in England and Wales. Places which hosted mining activity in the 1980s are characterised by higher unemployment and score worse in every indicator of deprivation. We believe that growing up in these areas in a period of economic decline may have had important implications for social mobility, and explain present day patterns of spatial inequality. This paper would be in line with Glaeser et al. (2015), who show that historical mining areas have lower entrepreneurship, and with the broader literature exploring the long-term consequences of negative economic shocks to areas with a concentrated industry.

The impact of re-generations on local crime rates - joint with L. Neri and T. Kirchmaier
Re-generations are development programs through which a public housing unit gets demolished, and mixed housing is built in the area. In London, when the project is finished most of the incumbent residents return to the area (by law, those residents who want to live in the area must be relocated within the same borough). New and more affluent residents arrive too, hence after a regeneration there is higher density, but a different socio-economic composition in an area. Previous research has shown that these regenerations have positive outcomes in education for children who live in the area (Neri, 2020). We would like to measure the impact of these regenerations on local crime rates. At the moment we are requesting data from the London Metropolitan Police.

Future research

My PhD program finishes in 2025, therefore my main objective in the coming years is to finish my current co-authored projects (above-mentioned), and to develop my first single-author paper for the Job Market. So far, and given my previous work, my main ideas relate to exploring gentrification processes in London, but I continue exploring other questions that may have potential.

For my Master thesis, I analysed how the spatial distribution of different socioeconomic characteristics in London have transformed over time. My thesis shows that prices in London have surged within 5 to 15 kilometers from the centre (which I call the zone-2 effect). As housing prices increased in those areas, minorities have concentrated further away from the centre. I am now exploring the transformation in retail that comes about with gentrification processes, and working on finding ways to measure the 'matching' between the local population, and the characteristics of local retail. One can understand gentrification as the following process: originally the residents and the retail characteristics of an area are aligned (products target the local population); as new and more affluent population enters the area there starts to be a mismatch between retail and local population (i.e. hipster cafes, breweries, or other products that are too expensive for the local population); and eventually, when the gentrification process is complete there is a match again (but the population has very different socioeconomic characteristics). I am currently working with different data sources and exploring the potential of this idea.

In addition, this year I am collaborating with the London Metropolitan Police. I work helping their data analysis team (the Strategic Insights Unit) in a policy evaluation measuring the impact of different policies that aim at decreasing youth re-offending. This is allowing me to learn about the different databases the Metropolitan police holds, and also uncovering what are the major policy concerns in the context of policing in the UK.

Why go to the innovation Boot camp?

While my papers are mostly focused on urban economics and on the economics of crime, innovation is the mechanism that underlies the spatial inequality that my different projects uncover. Innovation can explain why high-skill occupations concentrate in different parts of the country, why neighbourhood transformation in gentrification processes can lead to positive outcomes to the local population, or why mining areas are now much less deprived than other parts of the country. Learning about how innovation explains differences in growth from the best experts is an invaluable opportunity that would enlarge my understanding of many different questions within economics.

As a researcher interested in empirical methods, I chose to study economics because it would allow me to answer many different questions, whether they be on labour markets, industrial structure, or crime outcomes. I see the Boot camp as a great opportunity to learn about a field to which I haven't been exposed, but that would bring about great ideas to complement my current papers, and to produce new and exciting research.

References

Glaeser, E. L., Kerr, S. P., and Kerr, W. R. (2015). Entrepreneurship and urban growth: An empirical assessment with historical mines. *Review of Economics and Statistics*, 97(2):498–520.

Moretti, E. (2013). Real wage inequality. *American Economic Journal: Applied Economics*, 5(1):65–103.

Neri, L. (2020). Moving ppportunities: The impact of public housing regenerations on student achievement. Technical report, Working Paper.

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CONFIDENTIAL

18th January2022

REFERENCE – Carmen Villa Llera

To Whom it May Concern,

I'm very happy to write this reference for Carmen Villa Llera and very strongly recommend her for this Fulbright scholarship.

I have known Carmen for approximately 3 years and met her connection to a "Crime Lab" initiative at the Centre for Economic Performance (CEP) at the LSE. As part of this I had quite in-depth meetings giving her feedback on the research she was doing there – mostly on the topic of the recent knife-crime and murder wave in London. When she expressed an interest in doing a Phd, I wrote a recommendation letter for her and facilitated her entry into Warwick's programme. At Warwick, I am her lead Supervisor and also taught her in my 2nd year Phd field course.

I've been impressed with her work in the Phd programme. She passed the challenging coursework exams comfortably and, as part of her research work, shows especially good ability in data management and modelling. Further to this, she understands my comments and explanations without me having to go into massive detail and, crucially, takes initiative herself. I would put her in the top 10% of our current Phd programme (which comprises approximately 36 students over three cohorts).

Her research focus so far has been 1) the economics of crime and 2) spatial inequality. On this latter topic she has been working with me on a project that decomposes locational wage differentials in the UK using the ASHE (Annual Survey of Hours and Earnings) dataset. The ASHE dataset is similar to a US Census database – it is a 5% longitudinal panel following workers over 25 years (it is derived from tax records). We have been doing exercises similar to very recent (late 2021) exercises by Card, Rothstein and Yi (2021) and Dauth, Findeisen, Moretti and Suedekum (2021). In short, this involves a lot of lifting with AKM-style models and pulling out smart descriptives.

The big goal of this work is to a) get some traction on questions related to agglomeration, and 2) specifically look at the London 'mega-city' effect. Now that we've built up the basics, the focus of the paper is going to be on the nature of high-skill labour markets, particularly in terms of occupational concentration across space. Another dimension that we are building in is related to housing costs across and 'real wage inequality'. This will be the first work of this type for the UK (to my knowledge).

I think Carmen's main current connection to something like the NBER Innovation Bootcamp is through these projects. My evaluation of her at the end of her coursework phase was that she's good

but needed something straightforward and a bit generic to work on before progressing towards more complex research designs. I think this work will serve that objective and she would be in a position to benefit from and contribute to the bootcamp by mid-2022. I thrash her with questions about regressions, data, modelling strategies and results interpretation at our fortnightly meetings. She is developing a good 'practical head' for what goes into a modern research project.

Let me know if you have questions.

Best regards,



Mirko Draca
Professor
Department of Economics
Warwick University
m.draca@warwick.ac.uk