C. Jack Liebersohn

Contact Information

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Employment

The Ohio State University, Fisher College of Business, Columbus, OH — **2018 - present**

Lecturer in the Department of Finance. Assistant Professor starting 2019.

Education

Massachusetts Institute of Technology, Cambridge, MA, USA — **2012 - 2018**

Ph.D. Candidate in Financial Economics. Graduation in September 2018.

Amherst College, Amherst, MA, USA — **2005 - 2009**

B.A., June, 2009 *With Distinction.* Double-major in Economics and Mathematics.
One-year study abroad at London School of Economics, 2007-2008.

Research Interests

Corporate Finance, Real Estate, Household Finance.

Working Papers

How Does Competition Affect Bank Lending? Quasi-Experimental Evidence from Bank Mergers

This paper studies the effects of bank competition on commercial lending. I find that greater competition causes a change in the quantity and composition of businesses receiving loans, with more loans going to larger and safer borrowers. To identify exogenous changes in bank competition, I exploit discontinuities in the application of bank antitrust rules governing mergers. In markets that fall narrowly below regulatory cutoffs, competition declines due to bank mergers. In markets above cutoffs, forced branch divestitures keep competition constant even though mergers occur. Using a difference-in-differences methodology comparing these types of markets, I estimate that antitrust rules cause the Herfindahl Index to fall in relative terms by 181 points and, consistent with greater competition, deposit rates to rise by 0.13 percentage points. Using loan-level data from commercial mortgages, I show that this change in competition is associated with a 5 percent increase in the likelihood that borrowers take a loan from a local bank and an increase in the average borrower size (collateral value) of 10 percent without a change in the average loan-to-value ratio. For banks not directly involved in a merger, lending to large borrowers increases and the nonperforming loan ratio falls by 0.37 percentage points. Overall, my findings support a model in which competition improves the efficiency and quality of bank lending.

Presentations: Banco Central do Brasil (2017), American Financial Association (2019)

The Geography Channel of House Price Appreciation With Greg Howard
Changing locational preferences contributed signicantly to the 2000-2006 housing boom in the United States. We estimate between 20 and 40 percent of the overall rise in real house prices can be attributed to an increase in the relative desirability of inelastic areas. The decline in manufacturing was a major contributor to this shift. In the first part of this paper, we show that local housing demand is signicantly driven by population changes and changing relative desirability. We document patterns in population movements consistent with this claim and create a new local rent index from microdata to show that rents responded in the same way as house prices. We then develop a theory for why an increase in the relative desirability of inelastic areas would raise house prices nationally. Finally, we quantify the total effect by creating a new measure of housing supply elasticity that covers the entire United States. We then show that the decline in manufacturing and the fall in interest rates both played an important role in the house price increase through the geography channel.

Presentations: American Real Estate and Urban Economics Association (2018)*, FRBSF-UCLA Housing Conference (2018)*, USC Marshall (2018)*, Midwest Macro (2018)*, NASMES (2018)*, SED (2018)*, UEA (2018)*.

Presentations by co-authors are denoted by *.

What Explains U.S. House Prices? Regional Income Divergence With Greg Howard
A simple measure of regional income divergence explains much of the variation in U.S. house prices since 1939. We develop an asset-pricing theory to explain why. House prices reflect the discounted value of expected rents, which reflect expected incomes. Higher expected regional income divergence increases the house price premium in rich areas. This raises average prices because house prices in poor areas are largely determined by construction costs. In addition to explaining average prices, our model explains several facts about the housing market, including regional variation in prices, the relationship between rents and prices, and patterns of net inter-state migration.

Research in Progress

Securitization and the Retail Apocalypse with Ricardo Correa
Who Benefits From Positive Local Demand Shocks? with Alex Bartik and Jens Kvaerner
Labor Income and Investment Decisions with Jens Kvaerner

Permanent Working Papers

Housing Demand, Regional House Prices and Consumption
This paper provides a new explanation for regional variation in the 2000-2012 housing and consumption boom and bust. Cities with a greater share of growing industries experienced larger housing demand shocks, larger house price increases from 2000-2006 and greater price declines from 2007-2012. Consistent with theory, price effects were stronger in housing-supply inelastic cities. City-level differences in housing demand are also correlated with supply elasticity. Controlling for industry, I estimate a durables consumption-house price elasticity of 0.08 from 2000-2006, 40% smaller than previous estimates. Post-2006, the estimated elasticity is 0.31 and housing prices rather than local conditions explain consumption changes.

Invited Discussions

Banco Central do Brasil (2017), Conference on Urban and Regional Economics (2018)

Honors, Awards and Fellowships

Dissertation Fellow (Federal Reserve Board, Washington, DC)	**Summer 2016**
Roswell Dwight Hitchcock Memorial Fellowship (Amherst College)	**2016-2017**
Dissertation Support Fellowship (Macro Financial Modeling Group)	**2015**
Finance Department PhD Student Service Award (Finance Group, MIT Sloan)	**2015**
Bennett W. Golub (1978) Graduate Fellowship (MIT Sloan)	**2015-2016**
MIT Sloan Graduate Fellowship (MIT Sloan)	**2013 - 2014**
John Woodruff Simpson Fellowship (Amherst College)	**2013**

TEACHING	**Department of Finance, Ohio State University**	
	BUSFIN 4211 - Corporate Finance (Undergraduate)	Spring, 2019
	BUSFIN 4211 - Corporate Finance (Ph.D)	Spring, 2019
PREVIOUS PROFESSIONAL EXPERIENCE	**Research Assistant / Senior Research Assistant**	**2010 - 2012**
	Federal Reserve Board of Governors. Washington, DC	
	Financial Markets Section in the Division of International Finance	
	Field Research Assistant	**2009 - 2010**
	Innovations for Poverty Action. Based in New Delhi, India	