## FACUNDO DANZA

www.facundodanza.com danza@ort.edu.uy

#### UNIVERSIDAD ORT URUGUAY

Address Bulevar España 2663

Montevideo, Uruguay

Phone +598 2902-1505

#### **Academic Positions**

Fall 2024 - Assistant Professor of Economics, Universidad ORT Uruguay

## Education

PhD in Economics, New York University, 2018–2024

Thesis Title: Essays on Climate Adaptation

MA in Economics, Universidad de Montevideo, 2015–2019 BA in Economics, Universidad de Montevideo, 2012–2015

## **Teaching and Research Fields**

Environmental and Resource Economics, Agricultural Economics, Energy Economics, Applied Microeconomics

# **Teaching Experience**

Spring 2025 (ongoing) Mathematical Economics, Universidad ORT Uruguay, Instructor

Fall 2024 Intermediate Microeconomics, Universidad ORT Uruguay,

Instructor

Fall 2022 Labor Economics, New York University, Course Assistant

Spring 2022 Introduction to Econometrics, New York University, Teaching

Assistant

Fall 2021, Spring 2021, Fall 2020 Statistics, New York University, Teaching Assistant

Fall 2017, Fall 2016 Public Economics, Universidad de Montevideo, Teaching

Assistant

## Research Experience

New York University, Graduate Assistant, Prof. Alfred Galichon

2017-2018 Universidad de Montevideo, Research Assistant, Prof. Alejandro

Cid and Prof. Juan Dubra

2014–2016 Universidad de Montevideo, Research Assistant, Prof. Ana I.

Balsa and Prof. Marcelo Caffera

## **Honors, Scholarships, and Fellowships**

2023-2024 Sixth Year Funding, Department of Economics, New York

University

2023 Data Grant for the project "Optimal and Sustainable

Groundwater Use: Evidence from Nebraska," CV Starr Center,

New York University

2023 Research Grant for the project "The Impact of Solar Panel

Installation on Electricity Consumption and Production: A Firm's Perspective," CAF – Development Bank of Latin

America and the Caribbean

2022 Research Grant for the project "Illegal Migration and Weather

Shocks: Evidence from Rural Mexico," CAF – Development

Bank of Latin America and the Caribbean

2018-2023 MacCracken Fellowship, New York University
2016-2018 Excellence Scholarship, Universidad de Montevideo

#### **Conferences and Seminars**

1<sup>st</sup> LAERE Congress (2025); Workshop on Environmental Economics at RIDGE (2024); LACEA-LAMES (2024); 6<sup>th</sup> Workshop on Environmental Economics and Climate Change at UCA (2024); XXXIX JAE del Banco Central del Uruguay (2024); 28<sup>th</sup> EAERE Conference (2024); 10<sup>th</sup> AWEEE (2024); 98<sup>th</sup> AES Conference (2024); Universidad ORT Uruguay (2024); NCSU (2024); NHH (2024); NYU (2023); Universidad de Montevideo (2023); Academic Workshop on Sustainable Development in Latin America and the Caribbean at CAF (2022).

#### **Working Papers**

## Optimal and Sustainable Groundwater Use: Evidence from Nebraska

Abstract: The agricultural sector is the primary water consumer in the US. Groundwater is one of its main sources, with 65% of irrigated farmland relying on groundwater for their water supply. Groundwater use presents a common pool problem: if a farmer pumps groundwater, she decreases the aquifer's water table and thus increases the cost of pumping for farmers in the same aquifer. Studying such a problem is challenging due to a lack of markets and data on groundwater use. In this paper, I leverage detailed farmer-level data on (ground)water use, crop choices, and crop yields to study the equilibrium implications of the current groundwater costs. I focus on the Ogallala Aquifer in Nebraska. In order to estimate the effect of water costs on water use and crop choices, I combine a crop-growth model with an economic model. I use the crop-growth model to recover the precise relation between water use and crop yields. I use the economic model to estimate the marginal cost of water for farmers. I then quantify how farmers respond to water costs by switching which crop they plant or changing the water use per planted crop. I find that farmers are inelastic to water costs: a 10% increase in the water cost would decrease water use by 3%. Moreover, I find that farmers adapt to higher water costs by both reducing the water use per planted crop and fallowing the land. Lastly, I utilize my estimates to compute the optimal and sustainable tax on groundwater use.

Presented at: 1st LAERE Congress; Workshop on Environmental Economics at RIDGE; LACEA-LAMES; 6th Workshop on Environmental Economics and Climate Change at UCA; XXXIX JAE del BCU; 28th EAERE Conference; 98th AES Conference; Universidad ORT Uruguay, NCSU; NHH; NYU; Universidad de Montevideo.

# The Impact of Solar Panel Installation on Electricity Consumption and Production: A Firm's Perspective (with Natalia D'Agosti)

**Abstract:** Since 2010, the Uruguayan government has fostered the installation of solar panels among firms to promote the production of small-scale renewable electricity. Under this policy, firms that have installed solar panels are allowed to feed any surplus electricity into the grid. Using a novel data set on firm-level electricity consumption and grid feed-in, we study the economic and environmental

consequences of this policy. First, we find that installing a solar panel substantially reduces the amount of electricity extracted from the grid. Second, we find that it increases the electricity injected into the grid. Third, we find that it reduces CO2 emissions only marginally. Fourth, we provide evidence of a rebound effect: electricity consumption increases between 20% and 26% after solar panel installation. Lastly, we propose an alternative policy that allows firms to store their electricity surplus in batteries instead of immediately injecting it into the grid. This policy would further reduce CO2 emissions by 2.7% by allowing electricity injection into the grid at night when fossil fuel facilities satisfy most of the electricity demand.

Presented (by me or my coauthor) at: LACEA-LAMES (2024); 10<sup>th</sup> AWEEE; ACREEF Workshop; SETI; FSR Climate Conference; Workshop on Fair Energy Transition in Latin America and the Caribbean at CAF; University of Edinburgh; Rutgers University; NYU; Universidad Católica del Uruguay; Universidad de Montevideo.

*Illegal Migration and Weather Shocks: Evidence from Rural Mexico* (with Eungik Lee) [Revision requested at Environmental and Resource Economics]

Weather shocks pose many challenges for workers in developing countries. International migration can work as a coping mechanism for this reality. The legal status of migrants is critical to understand the effect of these shocks on workers' well-being. In this paper, we study the effect of weather shocks on legal and illegal migration from rural Mexico to the United States. First, we find that weather shocks in the wet season increase migration. The increase is entirely driven by illegal migrants. Second, we propose a mechanism to explain this result: the effect of weather on agricultural production. We find that weather shocks decrease total harvested land and corn production. Third, we show that young and unwealthy workers are more sensitive to weather shocks. Lastly, we use our estimates to have a first glance at climate change's impact on migration. We find that climate change would increase illegal migration significantly.

Presented (by me or my coauthor) at: Academic Workshop on Sustainable Development in Latin America and the Caribbean at CAF; NYU.

## **Other Information**

Programming Skills: DSSAT, Git, Latex, MatLab, Python, R

Selected Courses: Sloan/Berkeley Summer School in Environmental and Energy

Economics, 2022

Languages: English (proficient), Spanish (native)

Citizenships: Italian, Uruguayan

## References

Professor Daniel Waldinger 19 West Fourth St., 6<sup>th</sup> Floor New York, NY 10012-1119 212-998-8967 (office) danielwaldinger@nyu.edu

Professor Christopher Flinn 19 West Fourth St., 6<sup>th</sup> Floor New York, NY 10012-1119 212-998-8967 (office) christopher.flinn@nyu.edu Professor Paul T. Scott 44 West Fourth St., 7<sup>th</sup> Floor New York, NY 10012-1119 347-844-3269 (mobile) pts3@stern.nyu.edu

Professor Timothy Roeper 19 West Fourth St., 5<sup>th</sup> Floor New York, NY 10012-1119 212-998-8967 (office) tar310@nyu.edu