

GERMAN GUTIERREZ

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EDUCATION:

NYU Stern	Ph.D. in Finance, 2020 (Expected)
Cornell University	M.Eng. in Operations Research and Engineering, Cornell University, 2010 GPA: 4.1, Concentration in Strategic Operations
Cornell University	B.S. in Operations Research and Engineering, Cornell University, 2010 GPA: 4.0, <i>Summa cum Laude</i>

PUBLICATIONS

My research interests are in Macroeconomics, Finance and Applied Theory

1. “Investment-less Growth: An Empirical Investigation”, with Thomas Philippon, *Brookings Papers in Economic Activity* (Forthcoming)
2. “Is There an Investment Gap in Advanced Economies? If so, Why?”, with Robin Doting and Thomas Philippon, *ECB Forum on Central Banking* (2017)
3. “Stress Testing Convergence”, with Til Schuermann and Michael Duane, *Journal of Risk Management in Financial Institutions* (2016)
4. “Estimating the probability that the game of monopoly never ends”, with Thomas Byuen, Eric Friedman and Shane Henderson, *Proceedings of the 2009 Winter Simulation Conference*. (2009)

WORKING PAPERS

1. “Declining Competition and Investment in the U.S.”, with Thomas Philippon
Abstract: The U.S. business sector has under-invested relative to Tobin's Q since the early 2000's. We argue that declining competition is partly responsible for this phenomenon. We use a combination of natural experiments and instrumental variables to establish a causal relationship between competition and investment. Within manufacturing, we show that industry leaders invest and innovate more in response to exogenous changes in Chinese competition. Beyond manufacturing we show that excess entry in the late 1990's, which is orthogonal to demand shocks in the 2000's, predicts higher industry investment given Q. Finally, we provide some evidence that the increase in concentration can be explained by increasing regulations.
2. “Declining Competition and Labor Shares in the US”
Abstract: This paper studies labor and profit share trends across Advanced Economies. It begins by showing that Real Estate is the primary driver of labor share declines. Excluding Real Estate, the weighted average labor share across advanced economies has remained stable since the 1980s. This is true for nearly all countries – except the US, where the labor share decreased drastically after 2000. The decline in US labor share is pervasive across industries, and is coupled with a rise in concentration and profit shares. The US appears to be the outlier; so I study the underlying trends in the remainder of the paper. I use a simple accounting framework as well as cross-sectional regressions to test whether the decline in labor shares and rise in profit shares can be jointly explained by (i) capital accumulation; (ii) import competition; (iii) rising returns to housing capital; (iv) rising intangibles; (v) superstar firms; or (vi) increased market power. I find strong support for rising market power (in the form of mark-ups and concentration); some support for superstars; and limited/no support for the remaining explanations.

WORK IN PROGRESS:

3. “Governance, Short-termism and Investment”, with Thomas Philippon
Abstract: The US business sector has under-invested relative to Tobin's Q since the early 2000s; and the under-investment appears to be partly explained by tight or short-termist governance. In this paper, we use a combination of natural experiments and instrumental variables to establish a causal relationship between increased quasi-indexer institutional ownership and decreased investment. In particular, we use the Russell index threshold as a natural experiment, and lagged quasi-indexer ownership as an IV. We find that higher quasi-indexer ownership leads to higher buybacks and less investment. We then study the interaction between governance and competition in causing under-investment and find contrasting results. At the firm-level, governance matters most for firms in non-competitive industries: they tend to buy back more shares and invest less. At the industry-level, anti-competitive effects of common ownership disproportionately affect industries that ‘appear’ competitive according to traditional measures but actually are not (due to common ownership).

4. “The Other 50%: On the Role of Non-Bank Lending during the Financial Crisis of 2008”

RESEARCH EXPERIENCE:

2016-2017 | NYU Stern, Research Assistant, Prof. Thomas Philippon
2008-2010 | Cornell University, Undergraduate Research Assistant, Prof. Shane Henderson, Eric Friedman and Peter Frazier

TEACHING EXPERIENCE:

2016 | *Risk Management at Financial Institutions*, Prof. Thomas Philippon, Undergraduate and MBA Teaching Assistant
2009 | *Engineering Probability and Statistics II*, Prof. Gennady Samorodnitsky, Undergraduate Teaching Assistant
2008-2009 | *Engineering Core Classes (Multiple Math and Chemistry courses)*, Cornell University, Academic Excellence Workshop Facilitator

WORK EXPERIENCE:

- 2008-2014 | Oliver Wyman Financial Services, New York, NY
Principal (2015), Consultant – Engagement Manager (2010-2014)
- Oliver Wyman is a leading global management consulting firm, that advises financial institutions on pressing strategic issues. My primary focus was on Finance and Risk Management including stress testing, financial and risk modeling and model risk management
 - Sample project experience:
 - Provided broad capital planning support for Top Global Investment Bank including
 - Review of multi-year CCAR (Stress Testing) readiness plan
 - Execution of “CCAR light” exercise, including (i) projection of balance sheet and P&L under stress; (ii) estimation of capital requirements and (iii) discussion of strategic implications
 - “Content-led” project management support
 - Led comprehensive enhancements of stress testing practices for multiple CCAR banks, including
 - Assessment, development and implementation of revenue and loss forecasting models, model validation and model documentation processes
 - Design, development and implementation of CCAR aggregation engines
 - Support for ongoing regulatory and management communication, including preparation of challenge session materials for the Board; and drafting of critical sections of Capital Plans
 - Drafted white papers on modeling and model risk management practices at several regional banks aimed at educating regulators on the intricacies of bank’s business models/approaches

- Provided PMO support for major mortgage servicing process re-design at top U.S. bank

OTHER:

Languages | English (fluent) and Spanish (native)

Activities | Traveling, Cooking, Hiking, Rock Climbing, Meditation (completed multiple silent retreats at Buddhist Monasteries)