Sebastian Guarda

sguarda@princeton.edu ◦ sebastianguarda.com ◦ (609)-375-5114

Placement Director	Gianluca Violante	violante@princeton.edu	609-258-4003
Graduate Administrator	Laura Hedden	lhedden@princeton.edu	609-258-4006

Current Studies

Princeton University *2020 – present*

Ph.D. Candidate in Economics

Expected Completion Date: June 2026

References

Professor Gianluca Violante
violante@princeton.edu
609-258-4003

Professor Pietro Ortoleva
ortoleva@princeton.edu
609-986-6895

Professor Nobuhiro Kiyotaki
kiyotaki@princeton.edu
609-258-4031

Professor Karthik Sastry
ksastry@princeton.edu

Prior Education

Pontificia Universidad Católica de Chile *2011 – 2017*

B.A. in Economics & Business
M.A. in Economics

Fields

Primary	Macroeconomics, Behavioral Economics
Secondary	Public Finance, Economic Theory, Labor Economics, Finance

Job Market Paper

"Narrow and Short Beliefs in Macroeconomics with Heterogeneous Agents".

This paper studies economies with rich heterogeneity and aggregate uncertainty, where agents observe only a subset of equilibrium objects and use finite lags of observables to form forecasts. This gives rise to a novel equilibrium notion where the state space of individual agents is finite, as opposed to the case of full information and rational expectations. Crucially, I show how these belief frictions can be disciplined using micro data on expectations, by analyzing whether forecast errors are systematically predictable. In a neoclassical model with heterogeneous income and wealth, I find that these frictions amplify the volatility of business cycles and allow us to better match moments of aggregate consumption and investment.

Working Papers

"Endogenous Misspecification" With José Luis Montiel Olea & Pietro Ortoleva.

Decision-makers cannot consider ***all*** *variables that may be relevant for a prediction. When should they expand their model, and when should they stop? We study agents who are aware of their potential misspecification but incur a cost when acquiring additional data. In a linear-regression setting, we characterize the value of adding an extra covariate. For both Bayesian and frequentist agents, we find a stronger incentive to include another covariate when their current model fits the data poorly and when few alternatives remain. Moreover, we uncover a novel form of convexity in the value of information for Bayesian agents: the more covariates already included, the greater the ex ante marginal benefit of adding another one. This result contrasts with the well-known concavity in the value of additional observations. Finally, the model implies that predictions may "jump" after unexpected evidence or theoretical developments, and behavior that can appear non-Bayesian even when agents are fully Bayesian.*

Work in Progress

"Job Ladders and Labor Productivity Dynamics" With Elías Albagli, Benjamín García, Alberto Naudon & Matías Tapia.

"Optimal Life Cycle Liquidity." with Francisco Cabezón.

Technical Reports

"A Macro-Financial Model for the Chilean Economy." With Mauricio Calani et al. (2022). *Central Bank of Chile Working Paper.*

"Xmas: An Extended Model for Analysis and Simulation." With Benjamín García, Markus Kirchner & Rodrigo Tranamil (2019). *Central Bank of Chile Working Paper.*

Masters Thesis

"Higher Education Policy, Graduate Taxes and Wealth Distribution." (2017)

Employment

Central Bank of Chile *2017 – 2020*

Analyst, Monetary Policy Division, Economic Research Area, Modeling Department

Teaching

2022 – 2024	Teaching Assistant at *Princeton*, Macroeconomic Theory I (graduate)
2022 – 2025	Teaching Assistant at *Princeton*, Junior Paper Writing Workshop
2018 – 2019	Instructor at *PUC-Chile*, Introductory Microeconomics
2011 – 2017	Teaching Assistant at *PUC-Chile*, over 12 courses in economics

Conference Presentations

PUC-Chile Economics Alumni Workshop, **LACEA** *(Latin American and Caribbean Economic Association)* Annual Meeting, **SECHI** *(Sociedad de Economistas de Chile)* Annual Meeting, **CEF** *(Computing in Economics and Finance)* Conference, **RIDGE** *(Research Institute for Development, Growth and Economics)* Labor Workshop, **MMCN** *(Macroeconomic Modelling Comparison Network Conference)* (poster session)

Visiting Positions

2022	Ph.D. Visitor at the *Central Bank of Chile*, Economic Research Area
2014	Exchange Student at the *Universiteit Van Amsterdam*

Research Positions

2023 – 2024	Research Assistant to Research Scholar Sofía Moroni
2021 – 2022	Research Assistant to Prof. Gianluca Violante
2016 – 2017	Research Assistant to Prof. Verónica Mies
2015 – 2016	Intern at Central Bank of Chile, Economic Research Area
2013 – 2015	Research Assistant to Prof. Gustavo Bobonis

Honors, Fellowships, and Grants

2024	*Princeton* William S. Dietrich II Economic Theory Center Summer Research Grant
2023	*Princeton* BADI Outstanding Divisional Leadership Award
2020	*Princeton* Edward Lundy *40 President's Fellowship
2017	*PUC-Chile* Raúl Iver Award: Best graduate of the Economics & Business cohort
2017	*PUC-Chile* Masters in Economics Academic Excellence Award, highest honors
2015	*PUC-Chile* Diego Schmidt-Hebbel Award: best T.A. of Economics & Business

Service

2022 – 2025	Organizer of the Princeton Macroeconomics Workshop
2022 – 2023	Treasurer for the Graduate Economics Club of Princeton University
2011 – 2016	Volunteer for *La Obra*: providing housing for isolated communities in Chile
2015	Chief Coordinator of *La Obra*, leading over 120 volunteers

Additional Information

Software: Julia, MATLAB, Dynare, LaTeX, R, Python, Stata
Languages: Spanish, English
Citizenship: Chile & USA (joint)

Last updated: November 2025