

**Olivia Ceccarini**  
**Curriculum Vitae**

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**Personal:** Born: September 6, 1973  
Place of Birth: Florence, Italy  
Citizenship: Italy  
Visa Status: F-1

**Education:**

Ph.D. in Economics, University of Pennsylvania, expected May 2008

M.A. in Economics, University of Pennsylvania, May 2003

Laurea summa cum laude in Statistics and Actuarial Sciences, Università degli Studi di Firenze, Italy, July 1998

**Dissertation: “Empirical Studies in Insurance Markets”**

**Abstract:** I examine the empirical importance of moral hazard, adverse selection and state dependence in the determination of motor vehicle accidents, using a unique longitudinal dataset on car insurance policies. I obtained the data from an Italian insurance company and it follows policy holders over the period 2000-2005. My paper builds on earlier work by Abbring *et al.* (2003) that develops a dynamic model of moral hazard in which insurance contracts are experience rated according to a proportional rule. I extend the model to allow for adverse selection that takes the form of unobservable heterogeneity, for state dependence in accidents and for pricing schemes that are not proportional. The empirical estimating equation is a discrete choice dynamic panel data model with unobserved heterogeneity, state dependence and predetermined variables. My unusually rich data permit a flexible way of incorporating moral hazard, adverse selection and state dependence within the same model, which I estimate using a recently developed semi-parametric estimator proposed by Arellano and Carrasco (2003). I find much stronger evidence of moral hazard than in the previous literature. In particular, there is negative dependence between accident probabilities and the experience rating class, with higher marginal increases in insurance premiums at higher classes associated with larger decreases in probabilities. Thus, monetary costs are important determinants of accident probabilities. There is also evidence of negative state dependence, after controlling for adverse selection and moral hazard, suggesting that drivers who recently had accidents engage in accident avoidance behavior.

**Committee:** Petra E. Todd (Chair), Aureo De Paula, Eugenio J. Miravete and Kenneth I. Wolpin

**Research Interests:**

Empirical Industrial Organization

**Teaching Interests:**

Undergraduate: Microeconomics, Industrial Organization, Empirical Industrial Organization, Econometrics and Statistics.

Graduate: Empirical Industrial Organization and Introductory Econometrics.

**Research Papers:**

“Does Experience Rating Matter in Reducing Accident Probabilities? A Test for Moral Hazard”

**Honors and Awards:**

Department of Economics Fellowship, University of Pennsylvania, Spring 2004

Haney Fellowship, University of Pennsylvania Fall 2001, Spring 2002

Eugenio Levi Prize for best undergraduate dissertation thesis, Università di Parma, Italy, November 1999

**Research and Teaching Experience:**

Instructor, Introductory Microeconomics, University of Pennsylvania, Summer 2006, Spring 2005 and Summer 2003

Teaching Assistant, Law and Economics (Prof. Nicola Persico), University of Pennsylvania, Spring 2006

Teaching Assistant, Intermediate Microeconomics (Prof. Jan Eeckhout), University of Pennsylvania, Fall 2005

Teaching Assistant, Public Finance (Prof. Jan Eeckhout), University of Pennsylvania, Fall 2005

Research Assistant for Professor Eugenio J. Miravete, University of Pennsylvania Fall 2004

Recitation Instructor, Introductory Microeconomics (Dr. Rebecca Stein), University of Pennsylvania, Spring 2002, Spring 2003, Fall 2002 and Fall 2003

Lecturer, Social Insurance, Università degli Studi di Firenze, Spring 1999

Junior Researcher, Sant'Anna School of Advanced Studies, Pisa, Italy, Spring 1999

**Professional Activities:**

Conference presentations:

2<sup>th</sup> International Conference in Industrial Organization, Chicago, IL, April 2004

CEPR, Hydra, Greece, May 2004

**Additional Skills:**

Languages: English (fluent), Italian (native)

Extensive programming experience in: GAUSS, STATA and SAS

**Employment Interests:**

Academic, Government and Private Sector

**Date of Availability:**

June 2008

**References:**

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