

# Loughlan O'Doherty

Ph.D. Candidate, London School of Economics and Political Science (LSE)  
Department of Economics • London, WC2A 2AE

Website: [www.loughlanodoherty.com](http://www.loughlanodoherty.com) • Email: [l.odoherty@lse.ac.uk](mailto:l.odoherty@lse.ac.uk)

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<b>FIELD</b>	<b>Macroeconomics</b> Monetary Economics, Expectations, Inflation, Heterogeneity, Micro-to-Macro
<b>EDUCATION</b>	<b>London School of Economics</b> Ph.D. in Economics 2020 – 2025 Advisors — Prof Ricardo Reis, Prof Silvana Tenreiro MRes in Economics 2018 – 2020 <b>Christ's College, University of Cambridge</b> MPhil Economic Research 2016 – 2017 <b>Corpus Christi College, University of Oxford</b> BA (Hons) Philosophy, Politics and Economics 2013 – 2016
<b>JOB MARKET PAPER</b>	A Dollar a Day Keeps Pessimism Away: Ambiguity, Expectations and the Income Distribution <b>Abstract.</b> This paper presents three key findings from consumer survey data. First, it provides evidence of systematic forecasting errors across a range of economic outcomes. These errors suggest that households tend to form pessimistic expectations, which increase as household income decreases. Second, expectations react asymmetrically to news, particularly among lower-income households. Third, consumer sentiment is shown to account for cross-sectional differences in expectations, and this too is strongly related to income. The paper links these patterns to ambiguity aversion, suggesting that lower-income households behave as though more ambiguity-averse. To explain these findings, the paper proposes a theory of expectation formation in which agents incur costs to learn about the informativeness of ambiguous news. The model predicts that large shocks can lead to persistent pessimism, creating the potential for poverty-pessimism cycles. When calibrated to the US economy, the model shows that unexpected inflation shocks have significant long-term welfare effects, larger than those predicted by standard models. A simple transfer policy, tested in the context of the 2021-2022 inflationary episode, is found to mitigate these effects at a relatively low cost.
<b>WORKS IN PROGRESS</b>	Lifetime Welfare and Price Changes Inequality Deflators
<b>AWARDS &amp; DISTINCTIONS</b>	LSE Class Teacher Award (Highly Commended) 2024 LSE Class Teacher Award (Highly Commended) 2020 ESRC DTP Full Award and Scholarship 2018
<b>CONFERENCES &amp; SEMINARS</b>	Warwick-CFM-Vienna Macro Conference 2023 European Central Bank 2022
<b>TEACHING</b>	Monetary Economics and Aggregate Fluctuations – EC424. LSE. 2021 – 2025 Macroeconomics – EC2065. University of London. 2022 – 2025 Introduction to Economics – EC1002. University of London. 2019 – 2025 Macroeconomics – EC413. LSE. 2022 – 2024

Mathematics for Postgraduate Economists – EC400. LSE. 2020 – 2024  
Macroeconomic Principles – EC210. LSE. 2019 – 2021  
*Teaching evaluations available upon request*

**PROFESSIONAL EXPERIENCE**

**European Central Bank**  
PhD Trainee – Economics Directorate General 2021 – 2022

**Goldman Sachs International**  
Summer Associate – CEEMEA Economics, Global Investment Research 2020  
Off-cycle Analyst – CEEMEA Economics, Global Investment Research 2017 – 2018

**The Rt Hon. Anneliese Dodds MP**  
Part-time Researcher – Shadow Financial Secretary to the Treasury 2018 – 2019

**REFERENCES**

**Professor Ricardo Reis**

A.W. Phillips Professor of Economics  
London School of Economics  
[r.a.reis@lse.ac.uk](mailto:r.a.reis@lse.ac.uk)

**Professor Benjamin Moll**

Sir John Hicks Professor of Economics  
London School of Economics  
[b.moll@lse.ac.uk](mailto:b.moll@lse.ac.uk)

**Professor Silvana Tenreyro CBE**

Professor of Economics  
London School of Economics  
[s.tenreyro@lse.ac.uk](mailto:s.tenreyro@lse.ac.uk)

**Dr Maarten De Ridder**

Assistant Professor of Economics  
London School of Economics  
[m.c.de-ridder@lse.ac.uk](mailto:m.c.de-ridder@lse.ac.uk)