Joshua Abel

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Education

Harvard University
Ph.D. in Economics — *2019*
Joint Center for Housing Studies Meyer Fellowship
Distinction in Teaching Award (3X)

Swarthmore College
Bachelor of Arts — *2011*
High Honors (Major: Economics; Minor: History)
Adams Prize

Employment

College of the Holy Cross, Assistant Professor, 2025-
Northeastern University, Visiting Assistant Professor, 2023-2025
Analysis Group Inc., Manager, 2019-2022
Federal Reserve Bank of Boston, Research Fellow, 2014-2019
Federal Reserve Bank of New York, Research Associate, 2011-2013

Teaching

Analysis of Public Policy, Harvard University [MPP-level], 2025
Applied Econometrics, Northeastern University, 2023-2025
(Intermediate) Microeconomic Theory, Northeastern University, 2023-2025
Advanced Mathematics and Statistics [Ph D-level], Northeastern University, 2024
Principles of Microeconomics, Harvard Summer School, 2023-2024
Introduction to Econometrics, Brandeis University, 2023

Fields

Public economics
Macroeconomics
Household finance
Real estate

Publications

"How Do Mortgage Refinances Affect Debt, Default, and Spending? Evidence from HARP" (with Andreas Fuster). ***American Economic Journal: Macroeconomics*****, 13(2), 254-291. 2021.**
We use quasi-random access to the Home Affordable Refinance Program (HARP) to identify the causal effect of refinancing into a lower-rate mortgage on borrower balance sheet outcomes. Refinancing substantially reduces borrower default rates on mortgages and other debt. Refinancing also causes borrowers to expand their use of debt instruments, such as auto loans, home equity lines, and other consumer debts that are proxies for spending. Borrowers that appear more constrained ex ante grow these debts more strongly after refinancing but also pay down credit card balances by more. These borrowers also have lower take-up of the refinancing opportunity.

"The Measurement and Behavior of Uncertainty: Evidence from the ECB Survey of Professional Forecasters" (with Robert Rich, Joseph Song, and Joseph Tracy). *Journal of Applied Econometrics*, 31(3), 533-550. 2016.
We examine matched point and density forecasts of output growth, inflation and unemployment from the ECB Survey of Professional Forecasters. We construct measures of uncertainty from individual histograms, and find that the measures display countercyclical behavior and have increased across all forecast horizons since 2007. We also derive measures of forecast dispersion and forecast accuracy, and find that they are not reliable proxies for uncertainty. There is, however, evidence of a meaningful co-movement between uncertainty and aggregate point predictions for output growth and unemployment. These results are robust to changes in the composition of the survey respondents over time.

Working Papers

Equilibrium Mortgage Design with Heterogeneous Borrowers
Conventional mortgages penalize "unsophisticated" borrowers for their failure to refinance. This paper shows that the absence of mortgages that better serve such borrowers – for instance by including an automatic refinancing provision – can be rationalized as a strategy by lenders to extract rents. Conventional mortgages allow lenders to charge a higher effective price of credit to unsophisticated borrowers, who are less likely to shop around during mortgage origination, than to sophisticated borrowers. An automatic refinancing provision would eliminate this price discrimination and lower rents, explaining why it is not offered. Prepayment penalties and "points" also impact the price discrimination mechanism. The baseline calibration of the paper's model predicts that lenders should offer to pay points to borrowers at origination and not include prepayment penalties, consistent with what is observed in most market segments in recent decades. A policy of taxing borrowers for refinancing would benefit the unsophisticated by lowering interest rates and, potentially, leading to a change in mortgage designs that lenders offer.

"Mortgage Lock-In and Home Sales Volume Dynamics"
This paper considers the dynamic problem of a household with the dual options to move and to refinance in a model where interest rates and idiosyncratic housing match quality are both persistent and stochastic. The model admits the possibility of "lock-in," whereby households reduce their likelihood of sale in the face of high mortgage interest rates. A calibrated version of the model is used to analyze the dynamics of home sales amid recent fluctuations in interest rates and the impacts of proposed policies to stabilize sales volume. The model predicts that a tax credit for home-sellers in our current low-sales equilibrium would likely increase economic efficiency, but it would require roughly $40 of government expenditure for every $1 of social surplus created, since many moves would occur even in the absence of the subsidy. Therefore, such a subsidy is in large part simply a transfer to homeowners and their lenders. The model is also used to explore implications of mortgage lock-in for socially desirable mortgage design.

"The Home Sales Volatility Puzzle: An Empirical Exploration"
The housing cycle of the 2000s in the United States saw a large swing not only in home prices but in the number of home sales as well. This paper uses a comprehensive dataset on US home sales to investigate two popular explanations for the cyclicality of selling activity: "house lock," which conjectures that falling prices cause down-payment constraints to bind and prevent current homeowners from selling their homes; and nominal loss aversion, which proposes that cognitive frictions prevent homeowners from selling when doing so would not garner a price as high as the one they originally paid for the house. I find that while there is evidence that both of these mechanisms are active at the household level, they explain a fairly small portion of the decline in sales from boom to bust: likely no more than 10%.

Conference Presentations

AREUEA-ASSA conference presentation (2019, 2025)
AREUEA National Conference (2025)

Academic Service

Referee for *The Journal of Finance*, *Journal of Urban Economics*