Nicolas Fernandez-Arias

mail@nicolasfernandez-arias.me ∘ www.nicolasfernandez-arias.me ∘ 301-648-9081

Education

Princeton University *2014–2021*
Ph.D. in Economics
Dissertation: "Essays on Productivity Growth: Spinouts, Noncompetes, and Inequality"
Research Fields: Macroeconomics, Growth, Innovation, Inequality

Princeton University *2008–2012*
A.B. in Mathematics

Work Experience

International Monetary Fund
Economist, Research Department *2023-*
Economist, Western Hemisphere Department *2021-2023*

Bridgewater Associates *2012–2013*
Investment Associate

Publications

"IMF G20 Report on Strong, Sustainable, Balanced, and Inclusive Growth" *November, 2025*

Co-lead author.

"Journeys and Junctions: Spillovers from Migration and Refugee Policies" *April, 2025*

Chapter 4 of April 2025 IMF World Economic Outlook.
Coauthor.

"IMF G20 Report on Strong, Sustainable, Balanced, and Inclusive Growth" *November, 2024*

Coauthor.

"The Impact of Growth on Inequality and Social Outcomes" *July, 2024*

IMF G20 Background Note.
Coauthor.

"Trading Places: Real Spillovers from G20 Emerging Markets" *April, 2024*

Chapter 3 of April 2024 IMF World Economic Outlook.

"IMF G20 Report on Strong, Sustainable, Balanced, and Inclusive Growth" *November, 2023*

Coauthor.

"Panama's Growth Story" *February, 2023*

IMF Selected Issues Paper.
Coauthor.

"On the Potential Impact of Electricity Sector Reforms on Aggregate Output" *June, 2023*

Annex in IMF Dominican Republic Staff Report for the 2023 Article IV Consultation.

"Inflation Drivers" *June, 2022*

Annex in IMF Dominican Republic Staff Report for the 2022 Article IV Consultation.

"The Latin American Growth Shortfall: Productivity and Inequality" *2021*

United Nations Development Programme LAC Working Paper, 4, 2021.
Coauthor.

Working Papers

"Endogenous Growth with Employee Spinouts, Noncompetes, and Creative Destruction"

I study the effect of noncompete agreements (NCAs) on aggregate productivity growth. I first construct a dataset matching venture capital funded startups to the previous employers of their founders. I find a statistically significant relationship between corporate R&D and subsequent employee startup formation in the same industry (within-industry spinouts). The relationship is economically significant, accounting for approximately 8.5% of startup employment in the data. Motivated by this finding, I develop a general equilibrium model extending a standard quality ladders model of endogenous growth to include R&D-induced within-industry spinouts and noncompete agreements. NCAs increase the incentive for R&D by incumbent firms while also stifling innovation by within-industry spinouts. According to the quantified model, reducing all barriers to the use of NCAs increases the annual growth rate by 0.21 percentage points and welfare by 3.24% in consumption-equivalent terms. It does so by improving the allocation of R&D labor, which in equilibrium is inefficiently overallocated to creative destruction due to business stealing and congestion externalities. Untargeted R&D subsidies reduce growth and welfare by exacerbating the misallocation of R&D. R&D subsidies targeted at own-product innovation can substitute for enforcement of NCAs without stifling spinout innovation. The growth-maximizing policy is a combination of targeted R&D subsidies of 88% and a ban on the use of NCAs. When targeted R&D subsidies are lower than 62%, eliminating barriers to NCAs maximizes growth.

Work in Progress

"Final Destination: International Spillovers from Migration and Refugee Policies" (with Paula Beltran and Carolina Osorio-Buitron)

"Demographic Change with Age-Varying Comparative Advantage and Consumption Preferences: A Sufficient Statistics Approach"

"Population Aging, Vintage Human Capital, and Economic Growth"

Languages

English (native), Spanish (native), French (proficient)