Co-authored work with Robert Lantis

We investigate potential unintended consequences of unemployment insurance (UI) policy on alcohol use and abuse. Using NLSY data supplemented with Geocode data, we estimate the effect of benefit replacement rates on changes in individual alcohol consumption following job loss. Identification relies on variation in replacement rates across states and over time. We find evidence that income effects from increased benefits dominate potential stress reducing benefits of UI. Moreover, we find that increased benefits increase the likelihood an individual abuses alcohol following job loss. Individuals' responsiveness to changes in replacement rates varies based on drinking history. We find that individuals with no history of alcohol abuse are the most sensitive to changes in UI policy.