FEDERICO GUZMAN

PhD Candidate · University of British Columbia
6000 Iona Drive, Vancouver, BC V6T 1L4, Canada
✉ federico.feg@gmail.com · ✺ **LinkedIn** · ✺ Website

EDUCATION

University of British Columbia, Vancouver, Canada *2016 – 2023*
Ph.D. in Economics   *(expected)*

Fields: Macroeconomics, Monetary economics, International Finance, Fiscal & Monetary Policy
Committee: Michael Devereux (co-supervisor), Michal Szkup (co-supervisor), Viktoria Hnatkovska

Universidad Torcuato Di Tella, Buenos Aires, Argentina *2013 – 2016*
M.A. in Economics

Universidad Nacional de Tucumán, Tucumán, Argentina *2007 – 2012*
B.A. in Economics

CITIZENSHIPS

Argentinian, European Citizen (Spain), Canadian Permanent Resident

REFERENCES

Michael B. Devereux (Co-Supervisor)
Professor
University of British Columbia
☎ (+1) 604 827 3137
✉ michael.devereux@ubc.ca

Michal Szkup (Co-Supervisor)
Assistant Professor
University of British Columbia
☎ (+1) 604 822 5146
✉ michal.szkup@ubc.ca

Viktoria Hnatkovska
Associate Professor
University of British Columbia
☎ (+1) 604 822 2408
✉ hnatkovs@mail.ubc.ca

RESEARCH PAPERS

Forward guidance credibility and fiscal policy (Job Market Paper)

This paper presents a discretionary central bank that implements reputation-based forward guidance within a standard New Keynesian economy subject to repeated liquidity trap episodes featuring recessions. Previous studies show that forward guidance policies can be made credible using reputation. In this model I incorporate a treasury that conducts fiscal stabilization policy, and I explore how this policy impacts on the credibility of reputation-based forward guidance. I numerically show that the central bank has a range of credible forward guidance policies that it can implement even when the treasury uses fiscal policy to mitigate recessions. I also find that an increase in the effectiveness of fiscal stabilization policy reduces the range of credible forward guidance announcements that the central bank can implement. Finally, I explore how fiscal policy responds when forward guidance is in place, and I find that forward guidance can crowd out fiscal effort and result in a loose monetary-tight fiscal policy mix during recessions.

[Debt maturity and self-fulfilling debt crises](#) (with [Michal Szkup](#))

This paper investigates the role of debt maturity within a model of self-fulfilling debt crises. Using one-period bonds, we characterize an interval of debt levels where creditors' panic can force a government to default. We numerically show that the government optimally lowers debt to reduce its vulnerability to this type of crises. We then switch to a model with long-term debt repayable with an infinite stream of coupons. In this environment, we show that the equilibrium price of debt differs from the short-term debt scenario. Furthermore, we prove that the bounds of the interval where crisis are self-fulfilling shift upward with higher debt maturity. Finally, we numerically show that the government decreases debt levels faster in the presence of long-term debt, therefore rising the economy's welfare compared to the short-term debt case.

RESEARCH IN PROGRESS

Fiscal devaluations and lags in tax reforms

Fiscal devaluations are a type of tax reform that has been identified as a candidate stabilization tool in countries that cannot unilaterally resort to nominal devaluations – e.g., in the context of a currency union. Specifically, theoretical work has shown equivalence conditions under which fiscal devaluations replicate the real allocations of nominal exchange rate devaluations obtained with monetary policy. However, the equivalence between nominal and fiscal devaluations depends on the critical assumption that fiscal changes occur at the business cycle frequency. This paper relaxes this assumption to capture the possibility that it takes a long time to change fiscal policy (relative to monetary policy), which is in line with the macro literature that documents the existence of lags in the implementation of tax changes. This paper analytically studies the impact that implementation lags in fiscal policy can have in the equivalence result between nominal and fiscal devaluations. Specifically, the paper analyzes how the menu of taxes from a fiscal devaluation responds to lags in fiscal policy.

OTHER RESEARCH EXPERIENCE

Research Assistant (Prof. Szkup, University of British Columbia)	*2017 – 2021*
Research Assistant (Prof. Jorrat, Universidad Nacional de Tucumán)	*2012*

TEACHING EXPERIENCE

Teaching Assistant at the University of British Columbia

International Trade (Undergraduate) – Prof. Bombardini, Prof. Świecki	*2018 – 2020*
Introduction to International Finance (Undergraduate) – Prof. Szkup	*2017, 2019 – 2021*
Introduction to International Trade (Undergraduate) – Prof. Świecki	*2016 – 2018*

Teaching Assistant at Universidad Torcuato Di Tella

Microeconomics I (Undergraduate) – Prof. Dorna	*2016*
Mathematics I (Undergraduate) – Prof. Azcue	*2013*

Teaching Assistant at Universidad Nacional de Tucumán

Intermediate Microeconomics (Undergraduate) – Prof. Foguet	*2011*
Economic History (Undergraduate) – Prof. Campi	*2009, 2010*

AWARDS, FELLOWSHIPS AND RESEARCH GRANTS

President's Academic Excellence Initiative PhD Award, University of British Columbia	*2020 – 2022*
International Tuition Award, University of British Columbia	*2016 – 2021*
Graduate Support Initiative Fellowship, University of British Columbia	*2016*
Scholarship, Universidad Torcuato Di Tella	*2013*
Student Research Grant, Universidad Nacional de Tucumán	*2011*
Economics Department award for academic performance, Universidad Nacional de Tucumán	*2010*

OTHER WORK EXPERIENCE

University of British Columbia
Graduate Academic Assistant   *Sep 2020 - Dec 2020*

PRESENTATIONS

Bank of Canada (Graduate Student Paper Award Workshop)   *2022*

MISCELLANEOUS

Computer skills   Matlab, STATA, LaTeX, Office
Languages   English (fluent), Spanish (native)