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BROWN UNIVERSITY

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Personal Information

Sex: Female
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Pre-Doctoral Studies

M.A. Economics, Brown University, Rhode Island, USA, 2014

B.A. Honors Economics, St. Stephen's College, University of Delhi, India, 2013, High distinction

Doctoral Studies

Brown University, 2014 to present
Ph.D. Candidate in Economics
Thesis Title: "*Essays in Stabilization Policy at the Zero Lower Bound*"
Job Market Paper: *"Fiscal Expansions in Secular Stagnation: What if it isn't Secular?"*
Expected Completion Date: May 2019

References

Professor Gauti Eggertsson
Economics Department, Brown University
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Professor David Weil
Economics Department, Brown University
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Professor Neil Mehrotra
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Professor Pascal Michaillat
Economics Department, Brown University
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Teaching and Research Fields

Primary Fields: Macroeconomics, Monetary Economics
Secondary Fields: Economic growth

Teaching Experience

Instructor of Record

Fall 2015	Intermediate Macroeconomics (Undergraduate), Brown University
Summer 2016	An Introduction to Game Theory (Pre-College), Brown University
Summer 2015	An Introduction to Game Theory (Pre-College), Brown University

Teaching Assistant

Spring 2018	Intermediate Microeconomics (Undergraduate), Brown University, for Prof. Rosolino Candela
Fall 2017	Intermediate Macroeconomics (Undergraduate), Brown University, for Prof. Pascal Michaillat
Spring 2017	Intermediate Macroeconomics (Undergraduate), Brown University, for Prof. Stelios Michalopoulos
Fall 2016	Intermediate Macroeconomics (Undergraduate), Brown University, for Prof. Pascal Michaillat
Spring 2015	Intermediate Microeconomics (Undergraduate), Brown University, for Prof. Jonathan Eaton
Fall 2014	Intermediate Macroeconomics (Undergraduate), Brown University, for Prof. Neil Mehrotra

Additional Pedagogical Training

Fall 2016	The Sheridan Teaching Seminar: Reflective Teaching (Certificate I)
Spring 2017	The Sheridan Course Design Seminar
2017-2018	The Sheridan Teaching Consultant Program

Research Experience and Other Employment

Summer 2017	Intern, Federal Reserve Bank of Boston
Summer 2014-2016	Research Assistant for Prof. Gauti Eggertsson, Brown University
Summer 2012	Research Assistant for Dr. Prema Ramachandran, Nutrition Foundation of India

Honors and Awards

Fall 2018	Dissertation Fellowship, Brown University
Summer 2018	Dissertation Fellowship (Visiting), Federal Reserve Bank of Boston
Summer 2018	Conference Travel Award, Graduate School, Brown University
Spring 2018	International Travel Grant, Graduate School, Brown University
Summer 2017	Project Funding, Graduate Student Council, Brown University
2016	William R. Rhodes Graduate Fellowship for Distinguished Research in International and Financial Economics
2016	Third Year Paper Prize in Economics, Brown University
2014-2017	Graduate Student Scholarship, Brown University
2013-2014	K.S. Goindi Fellowship for Graduate Studies at Brown University
2010	All-India Rank 1, Central Board of Secondary Education Examination, India
2010	Award for Excellence by Smt. Pratibha Patil, former President of India
2010	Education & Talent Award and Scholarship, Frontier Ltd., India
2010	Aadhi Aabaadi 2nd Women Achiever's Award, India

Professional Activities

Presentations

2018	Federal Reserve Bank of Boston (scheduled)
2018	Williams College (scheduled)
2018	Society of Economic Dynamics, Annual Meeting, Mexico City (two papers)
2017	Royal Economic Society Annual Meeting, UK (accepted)
2017	EconWorld2018@Lisbon, Portugal
2017	Research Seminar, Federal Reserve Bank of Boston

2018, 2017, 2016	Macroeconomics Lunch Seminar, Brown University

Service

2014	Co-organizer, Macroeconomics Lunch Seminar, Brown University
2016	Referee, *Journal of Economic Growth*

Affiliations

2014 – Present	Demography Trainee, PSTC, Brown University
2015 – 2017	Department Representative, Graduate Student Council, Brown University
2015 – 2017	International Student Representative, Graduate Student Council, Brown University

Skills

Stata, MATLAB, Dynare, LaTex

Publications

"Sticky Prices versus Sticky Information: Does it Matter for Policy Paradoxes?" (with Gauti Eggertsson)
Review of Economic Dynamics, forthcoming

This paper shows that under a strict inflation targeting regime, the government spending multiplier at the zero lower bound (ZLB) is larger under sticky information than under sticky prices. Similarly, well known paradoxes, e.g., the paradox of toil and the paradox of flexibility become more severe under sticky information. For the case of sticky information it is important to assume that the fiscal policy intervention coincides with the duration of zero interest rates, while such a distinction is less important for sticky prices. We unify and clarify results that appear to contradict each other in the literature.

Working Papers

"Fiscal Expansions in Secular Stagnation: What if it isn't Secular?" (Job Market Paper)

Low natural real interest rates limit the power of monetary policy to revive the economy due to the zero lower bound (ZLB) on the nominal interest rate. Fiscal stabilization via higher public debt is frequently recommended as a policy alternative at the ZLB as it trends to raise the natural real interest rate. This paper builds a non-Ricardian framework to study the costs and benefits of increasing public debt during a ZLB episode. It shows that the effect of debt is highly non-linear. Increasing debt raises the natural real rate of interest at low levels of debt, while at high levels it perversely decreases the natural real interest rate, thereby further complicating the use of monetary policy to fight recessions. The threshold level of debt, beyond which the effect becomes perverse is a function of the duration of the ZLB episode. The mechanism of the perverse effects relies on output distortions created by expectation of high debt burden in possible future states of the world in which the natural real interest rate has normalized and the ZLB is no longer binding. These distortions arise from an increase in distortionary taxes, crowding out of productive capital, and the possibility of sovereign default. In a calibrated 60 period quantitative lifecycle model with aggregate uncertainty, if the ZLB episode is expected to last for 1.5 years, which corresponds to the average length of a recession in the US, this threshold level of debt is at 106% of the GDP. The insights from the paper are applicable to a low real interest rate environment even in a purely real model away from the ZLB.

"Output Hysteresis & Optimal Monetary Policy" (with Sanjay R. Singh)

We analyze the implications for monetary policy when deficient aggregate demand can cause a permanent loss in potential output, a phenomenon termed as *output hysteresis*. In the model, incomplete stabilization of a temporary shortfall in demand reduces the return to innovation, thus reducing total factor productivity growth and generating a permanent loss in output. The origin of output hysteresis is contingent on the monetary policy rule. When the nominal interest rate is constrained at the zero lower bound, a central bank unable to commit to future policy actions suffers from *hysteresis bias*: it does not offset past losses in potential output. A new policy rule that targets zero output hysteresis approximates the optimal policy by keeping output at the first-best level. Estimated structural impulse response functions for key variables align with predictions of the model. A quantitative model provides evidence of significant output hysteresis resulting from endogenous growth over the Great Recession.

Research in Progress

"The cash-flow channel of monetary policy: A tale of two countries" with María José Luengo-Prado & Daniel Cooper.