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Curriculum Vitae
Fall 2020

AGUSTIN SAMANO

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Citizenship: Mexico (F-1 Visa)

Major Fields of Concentration

International Macroeconomics, Monetary Economics

Education

Degree	*Field*	*Institution*	*Year*
PhD	Economics	University of Minnesota (expected)	2021
MA	Economics	University of Minnesota	2019
BA	Economics	Instituto Tecnológico Autónomo de México (ITAM)	2015

Dissertation

Title: “International Reserves and Monetary-Fiscal Policy Interactions”
Dissertation Advisors: Professor Manuel Amador and Professor Timothy Kehoe
Expected Completion: Summer 2021

References

Professor Manuel Amador	(612) 624-4060 (612) 204-5781 amador@umn.edu	Department of Economics University of Minnesota 4-101 Hanson Hall 1925 Fourth Street South Minneapolis, MN 55455
Professor Timothy Kehoe	(612) 625-1589 (612) 204-5533 tkehoe@umn.edu	
Dr. Javier Bianchi	(612) 204-5934 javieribianchi@gmail.com	Research Department Federal Reserve Bank of Minneapolis 90 Hennepin Avenue Minneapolis, MN 55401

Honors and Awards

Summer 2020	*Summer Dissertation Internship*, Federal Reserve Bank of St. Louis, St. Louis, Missouri. (Note. Internship was cancelled due to COVID-19)
2019 - 2020	*Latin America Early-Career Scholar Program Award*, Macro Finance Research Program, Becker Friedman Institute, University of Chicago, Chicago, Illinois
2015 - 2020	National Council for Science and Technology Fellowship (CONACYT-SENER), Mexico City, Mexico
Summer 2019	*Summer Dissertation Fellowship*, Federal Reserve Bank of Boston, Boston, Massachusetts
Summer 2019	*Summer Dissertation Internship*, Center for Latin American Monetary Studies (CEMLA), Mexico City, Mexico

Teaching Experience

Summer 2018	*Instructor*, ITAM, Mexico City, Mexico. Taugh undergraduate level *International Macroeconomics*.
Summer 2017	*Instructor*, ITAM, Mexico City, Mexico. Taugh undergraduate level *Advanced Macroeconomics*.

Research Experience

2019 - Present	*Research Analyst*, Research Department, Federal Reserve Bank of Minneapolis, Minneapolis, Minnesota. Assisted Dr. Javier Bianchi.

Professional Experience

2012 - 2015	*Research Analyst*, Mexican Ministry of Finance and Public Credit, Mexico City, Mexico. Research Analyst for the Tax Policy Unit Director, Dr. Rodrigo Barros.
2012	*Research Analyst*, Mexican Ministry of Finance and Public Credit, Mexico City, Mexico. Research Analyst working with the Chief Economist, Dr. Miguel Messmacher.

Papers

"International Reserves and Central Bank Independence," job market paper
"Central Bank Independence and Sovereign Risk"

Presentations

"Central Bank Independence and Sovereign Risk," presented at the Minnesota-Wisconsin International/Macro Student Workshop, (webinar), May 2020,

"International Reserves and Central Bank Independence," presented at the 15th Economics Graduate Student Conference hosted by Washington University in St. Louis, (webinar), November 2020; Federal Reserve Bank of St. Louis PhD Students Workshop, (webinar), August 2020; XXIV Workshop on Dynamic Macroeconomics, Vigo, Spain, July 2019; Minnesota-Wisconsin International/Macro Student Workshop, University of Wisconsin-Madison, Madison, Wisconsin, April 2019.

Computer Skills

Python, Matlab, Stata, Julia, LaTex, Lyx

Languages

English (fluent), Spanish (native)

Abstracts

"International Reserves and Central Bank Independence," job market paper
(Previously presented as "International Reserves and Sovereign Debt: A Two-Government-Entities Approach")

This paper explores the role of central bank independence on the accumulation of international reserves. Using panel data for 11 Latin American countries, I document that more independent central banks tend to accumulate more reserves. I use this fact to depart from the assumption of a consolidated government in a quantitative sovereign default model. Instead, I consider two government entities: a central bank who can save in a risk-free foreign asset and a fiscal authority who issues debt and lacks commitment. I show that, if the fiscal authority is more impatient than the central bank, in equilibrium, the conflict of interest between government entities rationalizes positive levels of reserves and debt. I find that accumulating reserves has the benefit of disciplining over-borrowing by the fiscal authority. A key insight is that the fiscal authority can issue more debt for any level of reserves but chooses not to because it would increase sovereign spreads, making it more costly to borrow. The model accounts for 83% of the average level of reserves observed in Mexico from 1994 to 2017. I find that having an independent central bank increases social welfare by 0.1%. Welfare gains come from reducing over-borrowing by 3.3% of GDP. Finally, I provide a rule for reserve accumulation that mimics the optimal behavior of an independent central bank.

"Central Bank Independence and Sovereign Risk"

Using novel data for 11 Latin American countries, I find that central bank independence reforms that occurred in the early 1990s are associated with a decrease in sovereign spreads of 450 basis points. I reconcile this finding by developing a sovereign default model with money balances and two-government-entities: a central bank that determines money supply and a fiscal authority who issues defaultable debt. To account for the pre-independence period, I assume that government entities have the same discount factor. Then, I introduce a central bank independence reform as an MIT shock that increases the central bank's discount factor. Following the reform, the fiscal authority losses control of seignorage and sovereign spreads decrease. A key insight is that the fiscal authority relies heavily on seignorage to finance public spending during default, thus the incentives to default decline. Although an exact calibration of the model is currently a work in progress, this paper accounts for a negative correlation between central bank independence and sovereign spreads. Overall, this paper provides a unified framework to study the joint dynamics of monetary-fiscal policy interactions and sovereign spreads without assuming coordination between the central bank and fiscal authority.