

## Ghislain Afavi

---

### Office Contact Information

Université de Montréal  
Department of Economics  
3150, Jean-Brillant street  
C-6070-1, Lionel Groulx Building  
Montreal, QC, H3C 3J7  
Canada

### Personal Contact Information

Phone: +1 514 569 5551  
E-mail: [ghislain.afavi@umontreal.ca](mailto:ghislain.afavi@umontreal.ca)  
<https://sites.google.com/view/ghislain-afavi/home>  
Citizenship: Benin

## References

### Guillaume Sublet (chair)

Université de Montréal  
Department of Economics  
3150, Jean-Brillant street  
Montreal, QC, H3C 3J7, Canada  
Tel: +1 438 405 6142  
[guillaume.sublet@umontreal.ca](mailto:guillaume.sublet@umontreal.ca)

### Julien Bengui (co-chair)

Bank of Canada  
Senior Research advisor  
234 Wellington Street  
Ottawa, Ontario K1A 0G9, Canada  
Tel: +1 613 782 7064  
[jbengui@bankofcanada.ca](mailto:jbengui@bankofcanada.ca)

### Emanuela Cardia

Université de Montréal  
Department of Economics  
3150, Jean-Brillant street  
Montreal, QC, H3C 3J7, Canada  
Tel: +1 514 343 6111 #42831  
[emanuela.cardia@umontreal.ca](mailto:emanuela.cardia@umontreal.ca)

## EDUCATION

Ph.D. in Economics, University of Montreal, Canada	May 2022 (expected)
M.Sc. in Economics. African School of Economics, Benin	2016
B.Sc. in Statistics-Econometrics, University of Abomey-Calavi, Benin	2012

## RESEARCH FIELD

Macroeconomics, Monetary Economics, International Finance/Macro, Inequality

## WORKING PAPERS

“Monetary policy, sticky wages and household heterogeneity”  
“Sudden stops, asset prices: the role of a limited financial market participation”

## WORKS IN PROGRESS

“Financial instability, price instability and Inequality”  
“US repo market and fiscal policy”, with Carolyn Sissoko

## ACADEMIC AND PROFESSIONAL EXPERIENCES

Research assistant for Prof Baris Kaymak and Immo Schott	Summer 2018
Research assistant for Juste Somé, Ph.D.	2016
Statistician civil servant, Statistics-Planification Office, Ministry of Health, Benin	2014-2016
High school teacher in mathematics, Calavi, Benin	2012-2014
Statistician Intern, National Institute of Statistics of Benin	Summer 2012

## TEACHING EXPERIENCES

### Lecturer, University of Montreal

Data analysis for economists (Undergraduate): Fall 2019, Winter 2020, Fall 2020.

Introduction to macroeconomics (Undergraduate): Winter 2021

### Teaching assistant, University of Montreal

Macroeconomics (Ph.D.): Fall 2019, Fall 2020, Winter 2021.

Advanced Macroeconomics (Ph.D.): Winter 2020, Winter 2021.

Macroeconomics (Msc): Fall 2020, Fall 2021.

Quantitative methods for economists (Undergraduate): Winter 2020.

Principle of economics (Undergraduate): Summer 2018, Fall 2018, Winter 2019.

Introduction to microeconomics (Undergraduate): Fall 2017.

### Teaching assistant, African School of Economics

Macroeconomics (Msc): Winter 2016.

## CONFERENCE PRESENTATIONS

2021: Royal Economic Society Symposium of Junior Researchers,  
60th Annual Congress of the Société canadienne de science économique

2019: Fifteenth CIREQ Ph.D. Student Conference at McGill University,  
Economics Graduate Student Conference at Washington University in St Louis

## FELLOWSHIPS, HONORS AND AWARDS

Ph.D. Fellowship, Department of Economics, University of Montreal	2016-2021
Ph.D. Fellowship, CIREQ, University of Montreal	2016-2021
World Bank Scholarship	2014-2016
Beninese Government Scholarship	2009-2012
Best student in Statistics-Econometrics (Undergraduate), Benin	2011

## SKILLS

Software: Matlab, Stata, Fortran, Python, Latex

Household survey data: SCF (USA), PSID (USA), ENIGH (MEXICO)

## Languages

French (Native), English (Advanced)

## Summary of my working papers

### **“Monetary policy, sticky wages, and household heterogeneity”**

Can a Two-Agent New Keynesian model, also known as TANK, approximate a Heterogeneous Agents New Keynesian (HANK) model in terms of its aggregate response to a monetary policy shock? In this paper, I show that the answer depends on the source of nominal rigidities. If prices are sticky, the answer is yes, as shown by Debortoli and Gali (2018). If wages are sticky, the answer is no, as shown in this paper. To make this point, I show that the TANK model with only wage rigidities is equivalent, in terms of aggregate variables, to the representative agent New Keynesian model. For TANK with both price and wage rigidities, I show numerically that TANK does not approximate HANK well.

### **“Sudden stops, asset prices: the role of a limited financial market participation”**

This paper studies the role of household heterogeneity for the severity of financial crisis and its implication for macroprudential policy. I use data on sudden stops events and on financial market participation to document that a lower financial market participation is associated with a higher drop in asset prices. To explain the role of financial market participation in the drop of asset prices, I build an equilibrium business cycle model with a collateral constraint, and with limited financial market participation. The heterogeneity in the accessibility to the financial market generates income and consumption inequality in the model. The extent to which the limited financial market participation amplifies the drop in asset prices depends on the cyclical nature of consumption inequality. I also show that the optimal time-consistent debt tax should be higher in a limited financial market participation economy, which rationalizes the use of capital control in emerging markets. Finally my findings suggest it is possible to address financial instability without raising inequality.