ABOLFAZL REZGHI

Department of Economics UT Austin 2225 Speedway Austin, TX 78712
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EDUCATION

University of Texas at Austin 2017 - Present
Ph.D. in Economics

University of Texas at Austin 2017 - 2019
M.S. in Economics

University of Tehran 2015 - 2017
Ph.D in Monetary Economics (drop out)

University of Tehran 2013 - 2015
M.S. in Economics, Banking

Sharif University of Technology 2009 - 2013
B.S. in Electrical Engineering

REFERENCES

Olivier Coibion
Department of Economics
University of Texas at Austin
(512) 475-8537
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Saroj Bhattarai
Department of Economics
University of Texas at Austin
(512) 475-8539
saroj.bhattarai@austin.utexas.edu

RESEARCH INTERESTS

Macroeconomics, Monetary Economics, Macro-Finance

TEACHING EXPERIENCE

University of Texas at Austin
Teaching Assistant

- Economics and Statistics, Macroeconomics Theory, Antitrust Law and Economics , Dev. Problems and Policies in Latin America, Introduction to Econometrics, Introduction to Microeconomics (Undergraduate)
- Econometrics I (Ph.D.)

University of Tehran
Teaching Assistant

- Advanced Microeconomics I (Ph.D.), Microeconomics (Master)

HONORS, SCHOLARSHIPS, AND FELLOWSHIPS

University of Texas Graduate School Fellowship 2017 - 2018

University Entrance Exams

- Ranked 2nd in university entrance exam for Economics Ph.D. 2015 (Iran)
- Ranked 153th in university entrance exam among 300k students 2009 (Iran)

SKILLS

Programs: Matlab, Julia, R

Languages: English (fluent), Persian (native)

WORKING PAPERS

Firm Size, Rational Inattention, and Monetary Policy (in progress)

Monetary Policy Shocks, Financial Frictions, and Investment (2020)

- This paper studies the response of high and low credit quality firms to expansionary monetary shocks. Following an expansionary shock high credit quality firms increase their fixed capital while low credit quality firms reduce it. Firms' inventory and sales also respond to the shock similar to the investment across these two types of firms. Their financing behavior is also different: after an expansionary shock hits, the high credit quality firms raise funds through equity while the low credit quality firms are unable to issue equity or debt. To explain these results, I build a simple model with two types of firms: financially constrained firms and unconstrained ones. The constrained firms face a trade-off in allocating their limited funds to wage payment and investment, while the unconstrained firms can finance their financial needs freely. The increase in wages following an expansionary shock forces constrained firms to cut their investment and, because of having less collateral, reduce their debt, consistent with the empirical facts.

Monetary Policy and Corporate Default (2019)

- This paper shows that a contractionary monetary shock would increase the number of defaults and the aggregate liability of defaulted firms in the economy. The adverse effect of firms' default on the balance sheet of banks lowers the supply of credit and forces the interest rate of loans to rise. As a result, the cost of production grows even further, and more firms decide to file for bankruptcy. Using a DSGE framework, I show that Monetary policy can dampen this amplification mechanism by considering financial variables in the policy rule.