

**University of Minnesota - Twin Cities**

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**Curriculum Vitae**  
**Fall 2025**

# Leonardo Barreto

**Personal Data**

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*Citizenship:* Colombian (F-1 Visa)

**Major Fields of Concentration**

Macroeconomics, International Economics, Monetary Economics

**Education**

Degree	Field	Institution	Year
PhD	Economics	University of Minnesota (expected)	2026
MA	Economics	University of Minnesota	2023
MA	Economics	Universidad de Los Andes	2017
BA	Economics (cum laude)	Universidad de Los Andes	2014

**Dissertation**

Title: "Essays on International and Monetary Economics"

Dissertation Advisor(s): Professor Manuel Amador, Professor Timothy Kehoe, and Dr. Cristina Arellano

Expected Completion: Summer 2026

**References**

Professor Manuel Amador	(612) 624-4060 amador@umn.edu	Department of Economics University of Minnesota 4-101 Hanson Hall 1925 Fourth Street South Minneapolis, Minnesota 55455
Professor Timothy Kehoe	(612) 625-1589 tkehoe@umn.edu	
Dr. Cristina Arellano	Monetary Advisor arellano.cristina@gmail.com	Federal Reserve Bank of Minneapolis 90 Hennepin Avenue Minneapolis, Minnesota 55401

## Honors and Awards

- 2022 *Distinguished Teaching Assistant*, Department of Economics, University of Minnesota, Minneapolis, Minnesota.
- 2021 *Kurt Winkelmann and Janine Gleason Fellowship*, Department of Economics, University of Minnesota, Minneapolis, Minnesota.
- 2020-2021 *Estudiar con Esperanza Fellowship*, Department of Economics, University of Minnesota, Minneapolis, Minnesota.
- 2018 *Juan Luis Londoño Prize*, Universidad de Los Andes, Bogotá, Colombia. *Best M.A. thesis of the year at the Department of Economics*.
- 2014 *Cum Laude B.A. Graduation*, Universidad de Los Andes, Bogotá, Colombia.
- 2012 *Academic Excellence Scholarship*, Universidad de Los Andes, Bogotá, Colombia. *Highest GPA of the previous semester at the Department of Economics*.
- 2010-2014 *Quiero Estudiar Scholarship*, Universidad de Los Andes, Bogotá, Colombia.

## Teaching Experience

- 2021-2022 *Teaching Assistant*, Department of Economics, University of Minnesota, Minneapolis, Minnesota. *Principles of Macroeconomics*.
- 2020-2021 *Teaching Assistant*, Department of Economics, University of Minnesota, Minneapolis, Minnesota. *Principles of Microeconomics*.
- 2016-2017 *Teaching Assistant*, Universidad de Los Andes, Bogotá, Colombia. *Graduate level Advanced Macroeconomics*.
- 2016 *Teaching Assistant*, Universidad de Los Andes, Bogotá, Colombia. *Macroeconomics II*.
- 2015-2016 *Teaching Assistant*, Universidad del Rosario, Bogotá, Colombia. *Monetary Theory and Policy*.
- 2014-2015 *Teaching Assistant*, Universidad de Los Andes, Bogotá, Colombia. *Macroeconomics and International Finance*.
- 2013 *Teaching Assistant*, Universidad de Los Andes, Bogotá, Colombia. *Fiscal Theory and Policy*.

## Research Experience

- 2022-Present *Research Analyst*, Federal Reserve Bank of Minneapolis, Minneapolis, Minnesota.
- Summer 2022 *Consultant*, Inter-American Development Bank, Washington, D.C.
- Summer 2022 *Consultant*, World Bank, Washington, D.C.
- 2018-2020 *Research Fellow*, Inter-American Development Bank, Washington, D.C.
- 2014-2018 *Economist*, Central Bank of Colombia, Bogotá, Colombia.

## Publications

Barreto, Leonardo, Alan Finkelstein-Shapiro and Victoria Nuguer, “Domestic Barriers to Entry and External Vulnerability in Emerging Economies,” *Journal of Economic Dynamics and Control*, Vol 154. 2023

## Working Papers

- Barreto, Leonardo, “Debt-Financed Fiscal Stimulus, Heterogeneity, and Welfare,” Job Market Paper. Presented at: HHEI Alumni Conference, 2025; UMN-UW Graduate Workshop, Madison, WI, 2025; UMN-UW Graduate Workshop, Madison, WI, 2024
- Barreto, Leonardo, “Sovereign Default Risk, Monetary Policy, and Global Financial Conditions,” 2024. Presented at: RIDGE International Macro Workshop, Santiago, Chile, 2024; Society of Economic Dynamics, Buenos Aires, Argentina, 2024; UMN-UW Graduate Workshop, Minneapolis, MN, 2023.
- Arellano, Cristina, Leonardo Barreto, “Official Sovereign Debt,” 2025. Presented at: Society of Economic Dynamics, Cartagena, Colombia, 2023. Co-author presented at: Barcelona Summer Forum, Barcelona, España, 2025; CREI-UPF Macroeconomics Seminar, Barcelona, España, 2025; Federal Reserve Bank of Richmond, Richmond, VA, 2024; Federal Reserve Bank of Minneapolis, Minneapolis, MN, 2024; University of Notre Dame, Notre Dame, IN, 2024; The Ohio State University, Columbus, OH, 2024; University of Miami, Miami, FL, 2023; Columbia University, New York, NY, 2023.
- Balestrini, Teresa, Leonardo Barreto, and Carlos Bolívar, “Sovereign Debt, Currency Composition, and Financial Repression,” 2024. Co-author presented at: Midwest Macroeconomics Meeting, Kansas City, MO, 2025; Ph.D. Dissertation Fellows Workshop, St. Louis, MO, 2024.
- Barreto, Leonardo, Ergys Islamaj, Agustín Samano, and Scott Sommers, “Strategic Enforcement of Fiscal Rules

under Sovereign Risk," 2024.

Barreto, Leonardo, "Nonconventional Monetary Policy in a Regime-Switching Model with Endogenous Financial Crises," *Documentos CEDE* 016382, Universidad de los Andes. 2018.

### Referee Experience

Journal of Political Economy: Macroeconomics

### Computer Skills

Stata, MATLAB, Julia, Python, R, Fortran

### Languages

Spanish (native), English (fluent)

### Abstract(s)

Barreto, Leonardo, "Debt-Financed Fiscal Stimulus, Heterogeneity, and Welfare," Job Market Paper.

This paper studies the welfare consequences of the debt-financed fiscal stimulus implemented in the United States during the 2020 recession. I develop an open-economy heterogeneous-agent model calibrated to the U.S. and compute a transition between a pre-stimulus stationary equilibrium and a new equilibrium with a higher debt-to-GDP ratio resulting from the fiscal response to the recession. The transition path incorporates the observed evolution of government policies from 2020 to 2024. The model reproduces the dynamics of U.S. households' self-reported well-being through a novel empirical validation exercise that mimics their survey responses and rationalizes a puzzling fact in the literature: household well-being remained depressed during 2023 and 2024 despite low levels of unemployment and inflation. The mechanism behind this result is a gradual reallocation of assets: low- and middle-income households spend their stimulus transfers early in the transition and subsequently decumulate savings, while high-income households absorb these assets and expand their wealth holdings, leaving the average household worse off through 2023-2024. The government policy generates lifetime welfare gains concentrated at the bottom of the wealth distribution, while those at the top experience small losses. Stimulus checks and the revaluation of assets are the key drivers of these results. In the counterfactual exercises, I find scope for further increases in debt and better-designed tax policies that increase welfare.

Barreto, Leonardo, "Sovereign Default Risk, Monetary Policy, and Global Financial Conditions"

This paper explores the macroeconomic implications of tight global financial conditions in a small open economy New Keynesian model with sovereign default. My analysis shows that the interplay between the government incentives to repay the debt and inflation during periods of high world interest rates has distinct implications for monetary policy. I show that a monetary easing may emerge when a world interest rate hike induces a substantial increase in the probability of default, depressing domestic demand and leading firms to reduce inflation. This default amplification channel complements the expenditure-switching and expenditure-reducing channels found in standard open economy models, and rationalizes why emerging economies might reduce monetary policy rates when the Federal Reserve tightens. An increase in sovereign risk reduces aggregate domestic demand beyond these conventional channels, leading a real exchange rate depreciation to be contractionary for output.

Arellano, Cristina, Leonardo Barreto, "Official Sovereign Debt,"

This paper studies official sovereign debt empirically and theoretically. Official sovereign debt is more than half of the total sovereign debt in emerging markets and tends to flow in during default episodes. We develop a model with official and private debt where the sovereign can partially default on each of its debts. A fraction of the defaulted debt accumulates during a default episode, which resolves when the sovereign pays back its accrued obligations. Official debt is longer-term and more concessional during defaults than private debt, and the prices of all debts compensate lenders for default losses. The contractual differences across debts allow our model to rationalize the stylized facts of emerging markets. Counterfactual analysis suggests that official debt is welfare improving and finds the feasibility of voluntary swaps that generate Pareto Improvements by exchanging one type of debt for another one. Our work rationalizes the involvement of official debt in the resolution of sovereign defaults.