

OLIVER PFÄUTI

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EDUCATION

University of Mannheim PhD in Economics	since 2018 Mannheim
Yale University Visiting PhD Student, Sept. 2021 - June 2022	2021 - 2022 New Haven, CT
Universities of Bern and Basel Master of Science in International and Monetary Economics	2016 - 2018 Bern and Basel
University of Bern Bachelor of Science in Economics	2013 - 2016 Bern

RESEARCH FIELDS

Macroeconomics, Monetary Economics

JOB MARKET PAPER

A Behavioral Heterogeneous Agent New Keynesian Model, *with Fabian Seyrich (BSE Berlin)*

Abstract: Recent empirical evidence has led to a rethinking of how monetary policy is transmitted to the economy: (i) monetary policy influences household consumption to a large extent through indirect general equilibrium effects; (ii) households with higher marginal propensities to consume are on average more exposed to monetary policy; (iii) announcements of future monetary policy changes have relatively weak effects on current economic activity; and (iv) the effective lower bound on nominal interest rates does not lead to large instabilities. We develop a New Keynesian model with household heterogeneity and bounded rationality in the form of cognitive discounting that accounts for all these facts simultaneously. In contrast to existing models, we jointly account for these facts without having to rely on a specific monetary or fiscal policy. We use our model to revisit the policy implications of inflationary supply shocks and find a pronounced trade-off between price stability on the one hand, and fiscal and distributional consequences on the other hand. Monetary policy has to increase interest rates more strongly than under rational expectations to fully stabilize inflation. This leads to a stronger increase in consumption inequality and has larger fiscal implications. When monetary policy follows a standard Taylor rule, inequality declines after the negative supply shock. Inflation, however, increases substantially due to a novel amplification channel driven by cognitive discounting, household heterogeneity and the interaction of the two.

Awards: Finalist for the European Central Bank's 2022 Young Economist Prize · Winner of Young Scholar Award by the Society of Nonlinear Dynamics and Econometrics 2022 · Finalist for Young Economist Prize, QCGBF 2022 ([Link to paper](#))

OTHER RESEARCH

Working Papers

Subjective Housing Price Expectations, Falling Natural Rates and the Optimal Inflation Target
with Klaus Adam & Timo Reinelt ([Link to paper](#))

Inflation – who cares? Monetary Policy in Times of Low Attention
Finalist for Young Economist Prize, QCGBF 2021 ([Link to paper](#))

Work in Progress

The Macroeconomic Effects of Correlation Neglect

PRESENTATIONS

2022 (including scheduled): NBER Monetary Economics Fall Meeting · Yale University · EEA-ESEM Milano 2022 · ECB Forum on Central Banking 2022 (poster) · PSE Macro Days 2022 · Bank of Finland and CEPR Joint Conference on Monetary Policy in the Post-Pandemic Era · EABCN Conference on “New Challenges to Monetary Policy” · EWMES 2022 · Norges Bank · University of Warwick · 29th SNDE Symposium · 53rd Annual Conference of the Money, Macro and Finance Society · RCEA Conference on Recent Developments in Economics, Econometrics and Finance · PhD Economics Virtual Seminar · University of Mannheim · Frankfurt-Mannheim Macro Workshop

2021: Yale University · QCGBF Annual Conference (presentation and poster) · 52nd Money Macro and Finance Annual Conference · University of Warwick · European Commission Annual Research Conference (poster) · European Commission · 16th End-Of-Year Conference of Swiss Economists Abroad · Annual Southern PhD Economics Conference · Warwick Economics PhD Conference · University of Mannheim · Oxford NuCamp PhD Conference (discussant)

2020: University of Mannheim · Bonn-Mannheim PhD Workshop

TEACHING EXPERIENCE

University of Mannheim 2019 - 2020

Teaching Assistant for Macroeconomics B (Fall 2019)

University of Bern 2016 - 2018

Teaching Assistant for Introduction to Macroeconomics (Spring 2016, 2017, 2018)

Teaching Assistant for Money, Credit and Banking (Fall 2016, 2017)

SCHOLARSHIPS AND AWARDS

Finalist Young Economist Prize 2022

European Central Bank

Winner of Young Scholar Award: Best Paper Presented by a Graduate Student 2022

Society of Nonlinear Dynamics and Econometrics SNDE

Doc.Mobility Scholarship 2021-2022

Swiss National Science Foundation

Finalist QCGFB Young Economist Prize 2021 and 2022

Qatar Centre for Global Banking & Finance

PhD Scholarship 2020-2023

Stiftung Geld & Währung

PhD Scholarship 2018-2020

German Research Foundation (DFG)

Best Master's Degree (Third Place) 2018

Faculty of Economics and Social Sciences, University of Bern

REFERENCES

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