

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*

Abstract: Recent empirical evidence has led to a rethinking of how monetary policy is transmitted to the economy. Households with higher marginal propensities to consume are on average more exposed to changes in aggregate income which tends to amplify the effects of monetary policy through indirect general equilibrium channels. Announcements of future monetary policy changes have relatively weak effects on current economic activity and the effective lower bound on nominal interest rates does not lead to large instabilities. Accounting for these facts simultaneously, however, turns out to be challenging for existing models. We develop a New Keynesian model with household heterogeneity and bounded rationality in the form of cognitive discounting that can account for all findings simultaneously and thus, overcomes the tension in existing models. We use our model to revisit the policy implications of inflationary supply shocks and show that central banks have to increase interest rates more strongly than under rational expectations to fully stabilize inflation. Higher real interest rates lead to a substantial increase in government debt and consumption inequality. Our model thus indicates a more pronounced trade-off between price stability on the one hand, and distributional consequences and fiscal sustainability on the other hand.

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: NBER Monetary Economics Fall Meeting (scheduled) · 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” · 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 · PhD conference on Expectations in Macroeconomics, Barcelona (scheduled) · Frankfurt-Mannheim Macro Workshop (scheduled)

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 QCGBF 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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