Reina Kawai

December 2021

CONTACT INFORMATION

University of Washington
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EDUCATION

University of Washington — Seattle, WA
Ph.D. in Economics — 2018 – 2022 expected

- Dissertation Title: An Assessment of 28 Years of Trade Forecasts. For 602 IMF Programs Countries.

University of Minnesota, Twin Cities — Minneapolis, MN
B.S. double major in Economics and Mathematics, Minor in Statistics — 2014 – 2017

Hawaii Pacific University — Honoluolu, HI
B.S. in Economics and Mathematics — 2013 – 2014

FIELDS

International Macroeconomics, Development, and Applied Econometrics

RESEARCH

Working Papers

An Assessment of 28 Years of Trade Forecasts. For 602 IMF Programs Countries
Job Market Paper (with Theo Eicher)

The Macroeconomic Effects of Debt on Real GDP Growth: Revisiting the Impact, IMF Working Paper, Upcoming *(with Constance de Soyres and Mengxue Wang)*

Work in Progress Papers

Empirical Evidence of Foreign Reserve, Sovereign Debt and Crisis *(with Theo Eicher)*

Some More Empirical Evidence on the Effects of Shocks to Monetary Policy on Exchange Rates *(with David Murakami and Momo Komatsu)*

WORK EXPERIENCE

International Monetary Fund (IMF) — Washington, DC
Summer Intern (Finance Dept, General Resources and SDR Policy Division) — 6/2021–9/2021
Research focus: Development, Economic Growth, Crisis

- Co-authoring a working paper to examine the causal impact of debt on real GDP growth, based on a novel identification strategy.

University of Hawaii (Manoa) — Manoa, HI
Research Assistant (Professor Inessa Love) — 7/2017–6/2018
Research focus: Empirical analysis of GMO policy and economic development

- Analyzed African countries issue in growth, using panel dataset (IMF WEO/IFS, WB WDI, UNStats, EM-DAT) under a guidance of Professor Inessa Love.

University of Minnesota (Twin Cities) — Minneapolis, MN
Research Assistant (Driven to Discover Research Facility) — 6/2015–8/2015
Research focus: Risk preference research, behavioral economics

- Conducted quantitative analysis on how efficiency/human behavior will change under the multitasking environment to help understand better on the implication of further productivity

Honors

Japan-IMF Scholarship Program, International Monetary Fund	2019 – 2021
Graduate Teaching Assistant Scholarship, University of Washington	2019, 2021 – present
James O. York Fellowship, University of Washington	2018
Lokahi Grant, Hawaii Pacific University	2013 – 2014

Teaching Experience

Department of Economics

Instructor (Evaluation: TBA)

- ECON 201 (Principal of Macroeconomics) — Aut2021

Teaching Assistant (Avg Evaluation: 4.3 / 5)

- ECON 201 (Principal of Macroeconomics) — Win2019, Spr2019

Skills

Programming: Stata, R, LaTeX, Matlab, Python, Eviews

Language: Japanese (native), English (full professional), Turkish (beginner), Spanish (beginner)

Other Information

- Japanese Citizen
- Scuba Diving Licence

References

Professor Theo Eicher (committee chair)
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Research Abstracts

The Accuracy of IMF Crises Nowcasts. *Job Market Paper*
(*with Theo Eicher*)

The International Monetary Fund (IMF) provides loans to countries in economic crises as lender of last resort. Loan approval is tied to policy reforms and quantitative targets that are contingent on the IMF's crisis assessment. An extensive literature scrutinizes the efficacy of IMF loan programs, instead we examine the accuracy of the IMF's assessments of crisis conditions (nowcasts) that predicate program design. Analyzing an unprecedented 602 IMF loan programs from 1992 to 2019, we contradict the popular notion that IMF forecasts are generally optimistic. By disentangling the structure of the nowcast bias, we find the IMF systematically overestimates low-growth recoveries for Low-Income Countries' (LICs) GDPs while underestimating high-growth recoveries. Our unusually large sample allows us to document that Non-LICs nowcasts exhibit no statistically significant optimistic/pessimistic bias. We isolate the sources of inefficiencies in

IMF nowcasts, including: (i) program objectives, (ii) program conditionality, (iii) geographic regions, (iv) global crises, and (v) geopolitics (elections, conflicts, disasters). In addition, we show that shorter nowcast horizons do not improve accuracy, and that GDP growth nowcasts improved substantially since 2013. Inflation nowcasts continue to struggle with efficiency as recently as 2018.

Exchange Rates and Domestic Credit Can Macroprudential Policy Reduce the Link?
(*with Erlend Walter Nier and Thorvardur Tjoervi Olafsson*)

This paper examines empirically the role of macroprudential policy in addressing the effects of external shocks on financial stability. In a sample of 62 economies over the period of 2000:Q1–2016:Q4, our dynamic panel regressions show that an appreciation of the local exchange rate is associated with a subsequent increase in the domestic credit gap, while a prior tightening of macroprudential policies dampens this effect. These results are strong for small open economies, and robust when we explicitly account for potential simultaneity and reverse causality biases. We also examine a feedback effect where strong domestic credit pulls in additional cross-border funding, potentially further increasing systemic risk, and find that targeted capital controls can play a complementary role in alleviating this effect.