

CONTACT INFORMATION	University of Washington Department of Economics 319 C Savery Hall, Chelan Ln Seattle, WA 98105, United States	E-mail: <a href="mailto:rdatta2@uw.edu">rdatta2@uw.edu</a> Cell: +1 (206) 471-5153 Web: <a href="https://EconRaj.github.io">EconRaj.github.io</a> LinkedIn: <a href="#">Rajarshi Datta</a>
EDUCATION	<b>University of Washington</b>	Seattle, WA
	Ph.D. in Economics	2018 –
	• Dissertation Topic: Heterogeneous Asset Returns & Monetary Policy	
	M.A. in Economics, GPA: 3.84	2018 – 2020
	<b>Indian Statistical Institute</b>	Kolkata, India
	M.Sc. in Quantitative Economics	2015 – 2017
	<b>St. Xavier's College, Kolkata</b>	Kolkata, India
	B.Sc. in Economics, Minor : Statistics & Mathematics	2012 – 2015
INTERESTS	<b>Wealth Inequality, Housing &amp; Heterogenous Agent DSGEs, Applied Econometrics</b>	
RESEARCH	<b>Working Papers</b>	
	Heterogeneous Asset Returns and Monetary Policy Redistribution <i>R. Datta, August 2022</i>	
	Full employment and asymmetric response of monetary policy with Claudia Sahm ( <i>ongoing</i> )	
	Wealth Inequality & Business cycles: The Role of Housing <i>R. Datta, August 2021</i>	
	Choice of refinance & Hand to mouth status: Evidence from US data <i>R. Datta, February 2020</i>	
SKILLS	Programming: Matlab, Python, Stata, Fortran, Julia, R, SAS, C, Java, SQL, $\text{\LaTeX}$ .	
	Macro: Continuous time dynamic programming, Jump diffusion processes, Viscosity solutions	
	Machine Learning: PyTorch, TensorFlow, Scikit-learn	
	Econometrics: Markov Switching, Local Projections, GARCH, Cointegration & VECM	
HONORS	Henry T. Buechel Memorial Fellowship,	Spring 2022
	University of Washington	
	Grover and Creta Ensley Fellowship in Economic Policy,	Autumn 2021
	University of Washington	
	James K. & Viola M. Hall Fellowship,	Spring 2019
	University of Washington	
TEACHING EXPERIENCE	<b>Graduate Teaching Assistant</b>	
	• ECON 509 (Graduate Macroeconomics)	Spr21,22
	<b>Instructor</b>	
	• ECON 201 (Introduction to Macroeconomics)	Sum20,Win22
	• ECON 200 (Introduction to Microeconomics)	Aut2020

### Teach Assistant

- ECON 300 (Intermediate Macroeconomics)
- ECON 201 (Introduction to Macroeconomics)

Win2021  
Aut2018-Spr2020

### REFERENCES

#### **Professor Yu-chin Chen** (committee chair)

Department of Economics  
University of Washington  
Seattle, WA, USA  
+1 (206) 543-6197  
[yuchin@uw.edu](mailto:yuchin@uw.edu)

#### **Professor Brian Greaney** (committee chair)

Department of Economics  
University of Washington  
Seattle, WA, USA  
[bg385@uw.edu](mailto:bg385@uw.edu)

#### **Professor Fabio Ghironi** (committee)

Department of Economics  
University of Washington  
Seattle, WA, USA  
+1 (206) 543-5795  
[ghiro@uw.edu](mailto:ghiro@uw.edu)

#### **Professor Stephen Turnovsky** (committee)

Department of Economics  
University of Washington  
Seattle, WA, USA  
+1 (206) 685-8028  
[sturn@uw.edu](mailto:sturn@uw.edu)

### RESEARCH ABSTRACTS

#### **Heterogeneous Asset Returns and Monetary Policy Redistribution** *(Job Market Paper)* (R. Datta)

The paper shows that the elasticity of aggregate consumption from a one percent decline in the real interest rate is significantly underestimated in the absence of returns heterogeneity through the redistribution channel in the short run. My mechanism operates via the differential impact of a monetary policy shock for equity & housing with its consequent implications for heterogeneous *MPCs* across the wealth distribution. Greater the gap between returns across assets, larger is the aggregate consumption response. I develop a flexible model free sufficient statistics approach that can handle the conditional impact of monetary policy. Relative to Auclert (2019), aggregate consumption in general equilibrium is 15% higher with a 43% share of redistribution. It is 74% higher in comparison to a RANK model with separate returns to housing and equity. Second, direct effects rise by nearly 63% and strengthens on shortening asset maturities. Third, consumption declines 12% less under contractionary policy. The model predicts consumption to increase by 30% (53%) if all mortgages were ARMs with baseline (quarterly) maturity in 2019. In 2007, a lower wealth inequality would predict an even larger response. Household portfolio heterogeneity affects overall monetary transmission more than previously estimated, even for the short run.

#### **Choice of Refinancing & Hand-to-mouth Status**

(R. Datta)

What does the choice of refinancing reveal about the Hand-to-mouth (HtM) status of households? Preliminary empirical analysis from the SCF corroborates the interlinkage between household debt & HtM status. Further evidence from refinance approvals indicate strong demand for home equity extraction in periods of high unemployment often aided by higher house prices. Following Kaplan, Violante and Weidner (2014), I motivate their measurement by setting up a 3 period partial equilibrium model with heterogeneous preferences to investigate the importance of considering mortgages distinctly from other illiquid assets in the determination of HtM status. Better estimates of the same is imperative for understanding the transmission and redistributive effects of monetary policy & fiscal transfers. Simple qualitative experiments in a calibrated model strongly match the current trends in house prices, unemployment and mortgage refinancing.

## **Wealth Inequality & Business cycles: The Role of Housing**

*(R. Datta)*

What is the role of wealth inequality in causing and amplifying business cycles & vice-versa? In particular, can we quantify the correlation between housing and estimated business cycle shocks & frictions along the lines of Bayer et. (2020) with its subsequent impact on business-cycles & the time-varying wealth distribution ? I propose to estimate a heterogeneous-agent New-Keynesian (HANK) model in continuous time featuring two illiquid assets and gross positions for housing. The model emphasizes the differential impacts of asset price changes suitably calibrated to match key features of the observed US wealth distribution. The constructed counterfactuals are intended to have strong implications for the redistributive role of monetary & fiscal policy in impacting the wealth-shares of both the top 10% & middle 50-90% in the post-pandemic era.

WORK EXPERIENCE	<p>Macroeconomic Research Fellowship at the Jain Family Institute (JFI) from June 2022 onwards for assisting in constructing a Heterogeneous Agent New Keynesian model and using it to evaluate monetary policy options.</p> <p>Worked as an Associate Solution Advisor at Deloitte US India from May 2017 till June 2018. Worked in Anti Money Laundering and Model Validation for Comprehensive Capital Analysis Review (CCAR) projects.</p> <p>Two and a half month Summer Internship at D.E. Shaw &amp; Co. in FinRes/Fundamental Research Department during the period May-July 2016. Worked in evaluation and forecasting of financial data from multiple sources.</p>	
SEMINARS & PRESENTATIONS	<p>Paper Presentation at Confluence, the Annual National Economic Summit of St. Xavier's College, Kolkata-“Capital Inflow into Emerging Markets”, 2014, 2nd Position.</p> <p>Publications in Echo Echoes-the annual magazine of the Economics Department, St. Xavier's College, Kolkata - “War Economics” and “Sinocentrism of Brics”, 2013.</p>	
GRADUATE COURSEWORK	<ul style="list-style-type: none"><li><input type="checkbox"/> Incomplete Market Models</li><li><input type="checkbox"/> International Finance</li><li><input type="checkbox"/> Macroeconomics of Safe Assets</li><li><input type="checkbox"/> Econometric Theory</li><li><input type="checkbox"/> Empirical Asset Pricing</li><li><input type="checkbox"/> Contract Theory</li></ul>	<ul style="list-style-type: none"><li><input type="checkbox"/> International Trade Theory</li><li><input type="checkbox"/> Optimization Techniques</li><li><input type="checkbox"/> Non-cooperative &amp; Cooperative Game Theory</li><li><input type="checkbox"/> Mechanism Design</li><li><input type="checkbox"/> Industrial organization</li><li><input type="checkbox"/> Auction Theory</li></ul>
OTHER INFORMATION	<p>Language: English (Fluent), Bengali, Hindi</p> <p>Citizenship: India</p>	
OTHER ACHIEVEMENTS	<p>Member of the Editorial Board of Echo Echoes, the Annual Journal of the Economics Department, St. Xavier's College, Kolkata, 2013.</p> <p>Was awarded a “Scholarship for Higher Education” (SHE) under the Innovation in Science Pursuit for Inspired Research (INSPIRE) programme of the Department of Science and Technology, Government of India, New Delhi, by virtue of performance within top 1% of the School Board Examination at Class XII (2012) tenable up to Ph. D. in Basic or Natural Science courses like Mathematics, Statistics, Physics, Chemistry, Botany or Zoology.</p>	