Adrien Wicht

20 February 1992, Swiss

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Education

2019–	**PhD**, *European University Institute*, *Economics*.
	Advisors: Ramon Marimon (1st) and Alexander Monge-Naranjo (2nd)
09.21 – 02.22	**Visiting Scholar**, *University of Pennsylvania*.
	Sponsor: Dirk Krueger
08.18 – 07.19	**MRes**, *European University Institute*, *Economics*.
09.15 – 07.17	**MA**, *University of Zurich*, *Economics*.
09.11 – 06.14	**BA**, *University of Fribourg*, *Economics*.
08.07 – 07.11	**Maturity**, *Collège Sainte-Croix*, Fribourg, *Major in Law and Economics*.

References

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European University Institute
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Alexander Monge-Naranjo
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Alain Gabler
Swiss National Bank
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Research Interests

International macroeconomics

Sovereign defaults and restructurings

Recursive contracts

Work in Progress

02.22   **Private Information and Sovereign Default**.

This paper addresses the issue of adverse selection in the context of sovereign borrowing. I first derive a market economy in which a sovereign borrower signals its privately-observed productivity to a foreign lender through debt repayment. The equilibrium is empirically plausible as it features defaults, restructurings and maturity shortening during debt crises. Subsequently, I derive the optimal contract between the sovereign borrower and the foreign lender and implement it in the market economy. The resulting allocation is constrained Pareto efficient as it avoids ex post inefficiencies. In addition, as productivity shocks are persistent, the contract keeps track of incentives provided in the previous periods. Especially, low shocks erode future payoffs, while high shocks provide a reset. I show that changes in the maturity structure and debt buyback replicate the state contingency in the contract. Maturity does shorten during debt crises but without eventual defaults. The absence of defaults is at the source of important welfare gains.

12.21   **Making Sovereign Debt Safe with a Financial Stability Fund**, *(joint with Yan Liu and Ramon Marimon)*.

We develop an optimal design of a Financial Stability Fund that coexists with the international debt market. The sovereign can borrow long-term defaultable bonds on the private international market, while having with the Fund a long-term contingent contracts subject to limited enforcement constraints. There is a contract that minimizes the debt absorbed by the Fund, guaranteeing full debt stabilization. In equilibrium, the seniority of the Fund contract, with respect to the privately held debt, is irrelevant. We calibrate our model to the Italian economy and show it would have had a more efficient path of debt accumulation with the Fund.

04.22 **Seniority and Sovereign Default**.

This paper documents the implications of the de facto seniority structure of sovereign debt. Empirically, it presents strong evidence that defaults involving multilateral creditors are infrequent, last relatively longer and are associated with greater private creditors' losses. It subsequently builds a model of endogenous defaults and renegotiations to rationalize those findings. There, the multilateral debt generates an important pecuniary externality. While it can work as a commitment device and dampen the default risk, it raises the subordination risk of private liabilities. Furthermore, a tough renegotiation strategy ensures the multilateral lenders to safeguard a lending policy at preferential rates. It also rationalizes the longer default's duration and the greater private creditors' losses observed in default episodes implicating multilateral lenders.

Publications

12.18 **Demographics and the Current Account**, *(joint with Joschka Gerigk and Miriam Rinawi)*, Aussenwirtschaft, Vol. 69(1), pp. 45-76.

This paper investigates the relationship between demographics and the current account. We analyze the impact of recent demographic changes and provide a forecast of its future impact. Overall, we find a strong and robust, non-linear demographic effect. In particular, we find a positive association between the current account and the share of a population's prime-age individuals and a negative association with the share of the elderly. Our forecast suggests that, given the dramatically aging population in most industrialized countries, demographics will likely decrease the current account balance in the near future in those countries.

Experience

09.20 – 02.21 **Research Assistant**, *European University Institute*, Pierre Werner Chair of the Robert Schuman Center of Advanced Studies, advisor: Ramon Marimon.
- Development and computation of dynamic macroeconomic models.
- Data gathering, software programming and calibration.

07.17 – 07.18 **Research Assistant**, *Swiss National Bank*, International Policy Analysis Unit, head of unit: Alain Gabler.
- Data processing and analysis.
- Database management.
- Involvement in policy-relevant research.

07.14 – 12.14 **Compulsory Military Service**, *Armored Troops*.

Teaching

02.18 – 06.18 **TA for Monetary Economics**, University of Zurich.
Bachelor course, instructor: Pinar Yesin.

01.20 – 03.20 **TA for Macroeconomics II**, European University Institute.
PhD core course, instructor: Jesús Bueren.

04.20 – 06.20 **TA for Macro-Finance and Policy Design**, European University Institute.
PhD elective course, instructor: Ramon Marimon.

Conferences, Seminars and Workshops

08-09.10.20 **A Dynamic Economic and Monetary Union (ADEMU) Workshop**, *online*, ESM, EUI and University of Luxembourg.

22.10.21 **Macro Lunch Seminar**, University of Pennsylvania, Department of Economics, USA.

16.02.22 **Philadelphia Fed Seminar**, Federal Reserve Bank of Philadelphia, USA.

28-29.04.22 **21st Doctoral Meeting in International Trade, International Macroeconomics and Urban Economics**, Sciences Po, Department of Economics, France.

15-16.05.22 **BSE Summer Forum**, *ADEMU*, BSE, Spain.

28-30.05.22 **Society of Economic Dynamics Meeting**, Madison, Wisconsin, USA.

Prizes and Awards

10.14 **The Ernst & Young Award**, University of Fribourg.
Best Bachelor of Arts in Economics.

07.11	**Prix de la Banque Cantonale de Fribourg**, Collège Sainte-Croix.
	Best average in Law and Economics section
07.11	**Prix du Fond Tesch**, Collège Sainte-Croix.
	Best maturity in the French-speaking section.

Grants

| 08.18 – 08.22 | **EUI PhD Grant**, Swiss Grant-awarding Authority. |
| 09.21 – 02.22 | **Doc Mobility Grant**, Swiss National Science Foundation. |

Languages

French	Native
Swiss German	Fluent
German	Fluent
English	Fluent
Italian	Intermediate

Software Knowledge

| Text editors | Latex, MS Office and Apple applications. |
| Data | Excel VBA, Fortran, Matlab, MySQL, OpenMP, QGIS, R, Stata. |