

DARIO CARDAMONE

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DATE: September 30, 2025

RESEARCH INTERESTS

Macroeconomics, Macro-Finance, Monetary Economics, Fiscal Policy, Inequality

EDUCATION

- 2026 (exp) **University of Notre Dame**, Ph.D. Economics
Presidential Fellowship in Humanities and Social Sciences
- 2021 **University of Notre Dame**, M.A. Economics
- 2019 **Barcelona School of Economics**, Master in Economics
Universitat Pompeu Fabra, Master in Economics and Finance
- 2018 **Queen Mary University of London**, B.Sc. (Hons) Economics and Finance, *with Distinction*

JOB MARKET PAPER

“The Macroeconomic Effects of Sovereign Risk: New Evidence from U.S. Debt Ceiling Episodes”

Abstract: This paper studies the macroeconomic effects of sovereign risk. Exploiting high-frequency variation in Treasury prices around U.S. debt ceiling crises, I construct a novel instrument series to identify shocks to default expectations. News of increased sovereign risk generates immediate disruptions in financial markets and persistent effects on real activity, even in the absence of an actual default. The transmission operates through the banking channel, as valuation losses on government securities erode capital positions and induce a withdrawal from private credit. Investment declines in response, particularly among highly leveraged firms, and labor demand falls in capital-intensive sectors, compressing household income and weakening aggregate demand. I interpret these findings through the lens of a DSGE model with nominal rigidities and financial frictions, and use the framework to evaluate optimal monetary policy in the presence of sovereign risk. The analysis highlights a trade-off between financial and price stability, and demonstrates that a systematic policy response to sovereign risk during debt ceiling episodes can yield substantial welfare gains.

PEER-REVIEWED PUBLICATIONS

- 2023 “Wall Street QE vs. Main Street Lending”, with Eric R. Sims and Jing Cynthia Wu, *European Economic Review*, Volume 156, 104475

WORKING PAPERS

- 2025 “The Macroeconomic Effects of Sovereign Risk: New Evidence from U.S. Debt Ceiling Episodes”
- 2025 “Optimal Transfer Rules and Heterogeneity”, *revision requested*

WORK IN PROGRESS

- 2025 “Did the Fed Do What It Said? Average Inflation Targeting Post-2020”, with Victoria Consolvo, Irakli Shalikashvili, and Eric R. Sims
- 2025 “Understanding the Inflation–Output Relationship Across Business Cycle Phases”, with Roberto A. De Santis
- 2025 “How Free is Free Entry”, with Xinyi Li and Ben Pugsley

POLICY WRITINGS

- 2023 “Business Cycle Dynamics During Monetary Policy Tightening vs. Loosening Phases”, with Roberto A. De Santis. *Macroeconomic Assessment Chapter of the Monetary Policy Book* prepared for the ECB Governing Council meeting, September 2023

PROFESSIONAL EXPERIENCE

- 2025 **Federal Reserve Bank of Philadelphia**
Philadelphia Fed Mentoring & Advancing PhDs (PFMAP) Program, September 2025
- 2023 **European Central Bank**
Ph.D. Trainee, Business Cycle Analysis Division, May 2023 - October 2023

RESEARCH EXPERIENCE

- 2024– Research Assistant for Benjamin Pugsley (University of Notre Dame)
- 2022–23 Research Assistant for Jing Cynthia Wu (University of Notre Dame)
- 2019–20 Research Assistant for Ana Maria Herrera (Barcelona School of Economics)

TEACHING EXPERIENCE

University of Notre Dame

Undergraduate Level:

2023 (Fall) Introduction to Linear Regression (Instructor) - Course Instructor Feedback: 5.0/5.0

Graduate Level:

2022 (Spring) Ph.D. Macroeconomics II (Teaching Assistant) - Course Instructor Feedback: 5.0/5.0

2021 (Fall) Ph.D. Macroeconomics I (Teaching Assistant) - Course Instructor Feedback: 5.0/5.0

PROFESSIONAL ACTIVITIES

Refereeing: *Journal of Money, Credit and Banking*; *Macroeconomic Dynamics*; *Quarterly Review of Economics and Finance*

PRESENTATIONS

- 2025 Federal Reserve Bank of Philadelphia; Midwest Macroeconomics Meeting
- 2024 Southern Economic Association (SEA)

SERVICE

2021–23 Graduate Student Committee Co-chair, Department of Economics, University of Notre Dame

2021–23 Department Representative, Graduate Student Government, University of Notre Dame

SKILLS

Programming: Stata, Matlab, EViews, Dynare, Julia, RISE, L^AT_EX

Languages: Italian (native), English (fluent), French (Intermediate), Spanish (Intermediate)

PERSONAL

Citizenship: Italian (EU national)

REFERENCES

Eric Sims (Co-chair)

Professor and Department Chair
Department of Economics
University of Notre Dame
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Christiane Baumeister (Co-chair)

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