

FLORENCIA S. AIRAUDO

Calle Madrid 126, Getafe, Madrid, Spain. Office: 15.1.04
(+34) 645 39 18 02 ◊ fairaudo@eco.uc3m.es ◊ <https://fairaudo.github.io/>

EDUCATION

Ph.D. in Economics Universidad Carlos III de Madrid	<i>Sep 2019-2023 (expected)</i>
Master in Economic Analysis Universidad Carlos III de Madrid	<i>2017-2019</i>
BA. in Economics (<i>Magna cum laude</i>) Universidad Nacional de Córdoba, Argentina	<i>2011-2016</i>

RESEARCH

Job Market Paper

“Exit strategies from Quantitative Easing programs”

Abstract: I study the macroeconomic effects of unwinding the central bank balance sheet, considering the trade-offs from fiscal-monetary policy interactions. I construct a Regime-Switching NK-DSGE calibrated to the US economy before the COVID-19 crisis. Reducing the central bank balance sheet reduces inflation at the cost of increasing debt/GDP. Effects on output, inflation, and debt depend on how aggressive the strategy (Quantitative Tightening (QT) or Sell-off of bonds) is and the configuration of conventional fiscal and monetary policies.

Working papers

“Greenflation in Latin America: the cost of the green transition”, with Pappa, E. and Seoane.

Abstract: We propose a new model of a small open economy with efficient energy use to investigate the inflationary dynamics along the green transition of emerging economies. The model incorporates the production of green energy through investment in the green sector, while the usage of brown energy is dictated by exogenous domestic supply and brown energy price trends. The renewable energy can replace brown energy sources into production, yet the accumulation of green capital takes time to build. The production of the final good is characterized by substitutability between the resource and other inputs that firms can alter through directed input-saving technical change. We investigate the dynamics of the green transition induced by different forces a) exogenous increases of brown energy prices and increases in the productivity of green energy production; b) policy changes in the brown energy taxation and green energy subsidies. The inflationary and output costs differ depending on the change that triggers the green transition. The systematic reaction of monetary policy affects the greenflation dynamics.

“The trend-cycle connection”, with Seoane, H. D.

Abstract: Long-run growth in Latin America over the last 50 years has been low and volatile in the presence of frequent Sudden Stops. To rationalize this fact we develop a theory that links long-run growth and financial frictions in Emerging countries. Our theory exploits the fact that reversals in trade balance during a crisis occur through sharp declines in imports, particularly of imported investment, rather than increases in exports. Imported investment, in turn, has a permanent impact on economic growth. We find that trend growth deteriorates during crisis and, even though trend shocks play a crucial role, financial frictions and shocks have a significant impact on its dynamics. We apply our

model to the Sudden Stops in Argentina since the 1950s and find that financial crises have a strong permanent effect on the trend. Hence, to a large extent, the trend is the cycle.

“On the sources of sovereign debt crises: an endogenous regime-switching approach”, with Foerster, A. T. and Seoane.

Abstract: We develop a perturbation-based solution method to study a model of sovereign default. We consider a canonical real business cycle small open economy model with sovereign default, where the default choice is driven by fundamentals and a stochastic utility cost of default. We show that the model is isomorphic to an endogenous regime-switching model. Our solution method is both fast and accurate. We estimate the model using likelihood methods and time-series data for Argentina to decompose the main drivers of the interest rate spread in normal times and around a sovereign debt crisis. Our fully micro-founded approach also allows us to conduct policy counterfactuals.

RESEARCH INTERESTS

- Monetary and Fiscal Theory and Policy
- International Macroeconomics
- Quantitative Macroeconomics
- Bayesian Econometrics

REFERENCES

Hernán D. Seoane

- Universidad Carlos III de Madrid
- hseoane@eco.uc3m.es

Evi Pappa

- Universidad Carlos III de Madrid
- ppappa@eco.uc3m.es

Ulf Söderström

- Sveriges Riksbank
- ulf.soderstrom@riksbank.se

TEACHING EXPERIENCE

Academic year 2021-2022

- Teaching Assistant of Macroeconomics I (1st year PhD, English), Professor Andrés Erosa. Universidad Carlos III. Awarded for Excellence in Teaching.

Academic year 2020-2021

- Teaching Assistant of Macroeconomics I (1st year PhD, English), Professor Andrés Erosa. Universidad Carlos III. Awarded for Excellence in Teaching.
- Teaching Assistant of Macroeconomics I (B.S., Introductory Course, English), Professor Felix Wellschmied. Universidad Carlos III.

Academic year 2019-2020

- Teaching Assistant of Macroeconomics I (1st year PhD, English), Professor Andrés Erosa. Universidad Carlos III. Awarded for Excellence in Teaching.
- Teaching Assistant of Monetary and Financial Macroeconomics (B.S., English and Spanish), Professor Hernán D. Seoane. Universidad Carlos III. Awarded for Excellence in Teaching.
- Teaching Assistant of Regional and Urban Economics (B.S., Spanish), Professor Carlos San Juan Mesonada. Universidad Carlos III. Awarded for Excellence in Teaching.

Academic year 2018-2019

- Teaching Assistant of Monetary and Financial Macroeconomics (B.S., English and Spanish), Professor Hernán D. Seoane. Universidad Carlos III. Awarded for Excellence in Teaching.

- Teaching Assistant of Regional and Urban Economics (B.S., Spanish), Professor Carlos San Juan Mesonada. Universidad Carlos III. Awarded for Excellence in Teaching.

ACADEMIC PRESENTATIONS

- *Academic year 2022-2023*: ENTER Seminar at University College of London (UCL). London, UK. (December 2022, Scheduled); Doctoral Workshop on Quantitative Dynamic Economics. Konstanz, Germany (October 2022, Scheduled).
- *Academic year 2021-2022*: Leuven Summer Event: International Macroeconomics Workshop. Leuven, Belgium (June 2022); First PhD Workshop in Money and Finance, Stockholm, Sweden (May 2022); Internal research seminars, Riksbank. Stockholm, Sweden. (April and June 2022). Macroeconomics Work-in-Progress Seminar, Universidad Carlos III. Madrid, Spain (January 2022); Ph.D. Workshop, Universidad Carlos III. Madrid, Spain (November, 2021); ENTER Jamboree, ENTER Network. Online (September 2021).
- *Academic year 2020-2021*: RedNIE Seminar. Online (March 2021); ENTER Seminar, University College of London (UCL). London, UK (March 2021); Ph.D. Workshop, Universidad Carlos III. Madrid, Spain (June 2021; November, 2020); Macroeconomics Reading Group, Universidad Carlos III. Madrid, Spain (January 2021, October 2020); Virtual Workshop: Successfully Navigating Your Ph.D., CSWEP American Economic Association. Online. (November 2020).

PROFESSIONAL ACTIVITIES

Ph.D. Intern <i>Research Division, Riksbank</i>	<i>April-June 2022</i>
ECOGAS <i>Tariff and regulatory management analyst</i>	<i>Aug 2016-Aug 2017</i>
Instituto de Economia y Finanzas, UNC <i>Research Fellow</i>	<i>2013-2017</i>
Instituto de Estudios de Realidad Argentina y Latinoamericana (IERAL) <i>Research Assistant - Junior Economist, Monetary and Fiscal Policy division</i>	<i>2014-2016</i>

SKILLS

Languages	Software
· Spanish (mother tongue)	· MATLAB
· English (fluent)	· L ^A T _E X
· Portuguese (Basic Level)	· STATA
	· MS OFFICE

FELLOWSHIPS, HONORS, AND AWARDS

- Excellence Teaching Award, Universidad Carlos III.
- Grant *Formación de personal investigador (FPI)*. Ministry of science and innovation of Spain.
- Grant *Programa de Personal Investigador Predoctoral en Formación*, PIPF UC3M 01-1920.
- Scholarship for the Master in Economic Analysis, Universidad Carlos III, 2017-2019.
- Promotion of Scientific Capabilities, National Council Universities of Argentina, 2015.