

ADDRESS: University of Bonn, Department of Economics, Lennestrasse 37, 53113 Bonn, Germany
OFFICE PHONE: +49 (228) 73 4032
MOBILE PHONE: +49 15777250394
EMAIL: anna.grodecka@uni-bonn.de
WEBPAGE: <https://sites.google.com/site/grodeckaanna/>

EDUCATION

Ph.D. in Economics, University of Bonn, Bonn, Germany

Expected Completion: 2015

DISSERTATION: "*Essays on macroeconomics*"

Advisors: Prof. Dr. Jürgen von Hagen, Prof. Gernot Müller, PhD

Visiting PhD student, London School of Economics and Political Science, U.K., October 2012 - July 2013

Master (Magister), Finance, Warsaw School of Economics, Poland, September 2005 - September 2010

DISSERTATION: "*Polityka luzowania ilościowego w czasach deflacji i kryzysu*"

(The quantitative easing policy in times of deflation and crisis), Final Grade: A

Advisor: Prof. dr hab. Andrzej Sławiński

Diploma, Johannes Gutenberg University Mainz, Mainz, Germany, October 2008 - March 2010

Double-degree: Major in business (BWL) with elements of economics (VWL)

REFERENCES

Prof. Dr. Jürgen von Hagen
Department of Economics, University of Bonn
+49 (228) 73 9199
vonhagen@uni-bonn.de

Prof. Gernot Müller, PhD
Department of Economics, University of Bonn
+49 (0)228 731979
gernot.mueller@uni-bonn.de

Prof. Thomas Hintermaier, PhD
Department of Economics, University of Bonn
+49 (0)228 73 62192
hinterma@uni-bonn.de

RESEARCH AND TEACHING FIELDS

Primary fields: Macroeconomics, Financial Intermediation, Monetary Economics

Secondary fields: International Economics, Economic History, Finance and Banking, Housing Market, Environmental Economics

JOB MARKET PAPER

Subprime Borrowers, Securitization and the Transmission of Business Cycles

The design of hybrid subprime mortgage contracts arguably lies at the roots of the recent global financial crisis, as it made their payoffs sensitive to changes in housing prices. The market of subprime loans, in turn, has been highly financed by securitization. Since subprime securitization appears to be at the heart of understanding the Great Recession, this paper investigates the effects of securitization on the transmission of business cycles. The formal setup is a quantitative macroeconomic model with different types of borrowers and banks acting as financial intermediaries, in which households and entrepreneurs borrow against housing collateral. It is shown that due to interbank linkages and banks facing binding capital requirements, the existence of subprime securitization may either dampen or amplify business cycle fluctuations, depending on who is the final buyer of securitized assets.

TEACHING EXPERIENCE

- 10.2014 - 03.2015 Teacher of the Proseminar "Methods of Scientific Work" for Bachelor Students
(in English, title: Business Cycles in Emerging Economies)
Institute for Macroeconomics and Econometrics, University of Bonn
- 04.2014 - 09.2014 Teaching Assistant for Prof. Philip Jung, Makro B (in German)
Institute for Macroeconomics and Econometrics, University of Bonn
- 10.2012 - 06.2013 Graduate Teaching Assistant for Dr L Rachel Ngai, Dr Kevin Sheedy
EC210 - Macroeconomic Principles (in English)
Department of Economics, LSE

RESEARCH EXPERIENCE

- 03.2013 - 08.2013 Occasional Research Assistant for Karlygash Kuralbayeva, Ph.D.
The Grantham Research Institute on Climate Change and the Environment, London
School of Economics and Political Science, U.K.
Subject: Environmental taxation in developing countries with large informal sector, double dividend hypothesis
- 03.2009 - 03.2010 Student Research Assistant for Dr. Volker Kleff
Rating Agency, Feri Finance AG, Bad Homburg, Germany
Subject: Monetary and fiscal policy, trade and current account situation, exchange and interest rates, inflation, labor market

SCHOLARSHIPS, HONORS AND AWARDS

- 2010 - 2014 PhD Grant, Bonn Graduate School of Economics, founded by the DFG (German Research Foundation).
- 2008 - 2009 The Ministry of Science and Higher Education scholarship, awarded annually to the best 1000 students in Poland.
- 2008 Scholarship of the Capital Market Leaders Academy, awarded to 30 students and graduates annually, Poland.

PUBLICATIONS

BOOK (in POLISH)

Grodecka, A., 2012, Wielcy Inwestorzy. O ludziach, którzy na swoich inwestycjach zarobili miliony (Great Investors. About people that made millions with their investments), Wydawnictwo Trend Edukacja Finansowa, Warszawa.

BOOK REVIEWS (IN ENGLISH)

Grodecka, A., 15 April 2014, Book review of: Kartik B. Athreya, 2014, Big Ideas in Macroeconomics: A Nontechnical View, MIT Press. LSE Review of Books. Blog Entry, <http://eprints.lse.ac.uk/57421/>

Grodecka, A., 18 March 2014, Book review of: Richard S. Grossman, 2013, Wrong. Nine Economic Policy Disasters and What We Can Learn from Them, Oxford University Press. LSE Review of Books. Blog Entry, <http://eprints.lse.ac.uk/57464/>

Grodecka, A., 26 June 2013, Book review of: Michelle Baddeley, 2013, Behavioural Economics and Finance, Routledge. LSE Review of Books. Blog Entry, <http://eprints.lse.ac.uk/54012/>

Grodecka, A., 26 March 2013, Book review of: Peter J. Boettke, 2012, Living Economics: Yesterday, Today, and Tomorrow, The Independent Institute. LSE Review of Books. Blog Entry, <http://eprints.lse.ac.uk/52808/>

RESEARCH PAPERS

Price vs Quantity debate: the Role of Business Cycles, joint with K. Kuralbayeva, 2014

Recent academic literature has highlighted the importance of adjusting carbon taxes to business cycle fluctuations. On the policy side, the financial and economic crisis, in combination with the cap on emissions inflexible to business cycles, have been identified the key contributors to the crash of carbon prices within the largest cap-and-trade scheme, the EU ETS. This paper contributes to the current debate on whether environmental policies (in particular carbon taxes) have to adjust to business cycles, by studying the cyclical properties of a tax on emissions and emissions in a real business cycle model with distortionary taxes and a climate change externality. We find that the tax on emissions fluctuates very little, and is essentially constant, while emissions fluctuate a great deal in response to a productivity shock. Our results suggest that it is optimal to employ a price instrument and vary quantity period-by-period. We find that a price instrument is advantageous over a quantity instrument due to the cyclical behavior of abatement costs, which tend to increase during expansions and decline during economic downturns. This source of divergence in the performance of price from quantity control differs from information asymmetry as seen in the literature on "price versus quantity" that originated from applying the framework of Weitzman [Prices vs. quantities, Review of Economic Studies, 41 (1974), 477-491] to the specific problem of greenhouse gas emissions.

Old working paper version of the paper incorporated into *Price vs Quantity Debate*:

Grodecka, A., Kuralbayeva, K., 2014, *Optimal environmental policies, fiscal policy and labor markets over the business cycle*, OxCarre Research Paper 137.

House Prices, Credit and Monetary Policy in the U.S. and the U.K., joint with F. Kirsch, 2013

Using vector autoregressions for U.S. and U.K. time series we investigate the effects of credit and monetary shocks in the economy, especially in the context of the housing market, to compare the effectiveness of monetary and regulatory policies in affecting house prices. To identify the model we use sign restrictions derived from impulse responses generated by a DSGE model including credit and housing. We find that a negative monetary shock leads to a decline in house prices in both countries. The impact of a negative credit shock on house prices remains unclear for the U.S. data but is negative for the U.K. Both shocks are generally more powerful in the U.K. than in the U.S., given the different structure of mortgage contracts and differing objectives of monetary authorities in both countries.

PRESENTATIONS

Subprime Borrowers, Securitization and the Transmission of Business Cycles:

EDP Jamboree, Paris, France, 12th September 2014; Jahrestagung 2014 Verein für Socialpolitik, Hamburg, Germany, 9th September 2014; 29th Annual Congress of the EEA, Toulouse, France, 28th August 2014; 15th Bonn International Summer School in Macroeconomics, Bonn, Germany, 4th July 2013; Macro PhD work-in-progress, LSE, London, 18th March 2013; EDP Jamboree, Florence, Italy, 10th November 2012; Macro/Econometrics/Finance Workshop, Bonn, Germany, 25th April 2012.

Optimal environmental policies, fiscal policy and labor markets over the business cycle:

6th Atlantic Workshop on Energy and Environmental Economics, A Toxa, Spain, 25th June 2014; Macro/Econometrics/Finance Workshop, Bonn, Germany, 7th April 2014.

House Prices, Credit and Monetary Policy in the U.S. and the U.K.:

EDP Jamboree, Brussels, Belgium, 22nd November 2013.

ADDITIONAL INFORMATION

Languages: Polish: native; German: fluent (ZOP) in speaking, reading, writing; English: fluent (CAE) in speaking, reading, writing; Italian: upper-intermediate (CELI 4) in speaking, reading, writing; Russian and French: beginner.

Software: MS Office, LaTeX, Matlab, Dynare.

Editorial activity: Co-founder, Vice Editor-in-Chief and technical editor at TREND Magazine (Trend - miesięcznik o sztuce inwestowania), a Polish magazine about investment and financial markets based in Warsaw, Poland, October 2008 - present, <http://www.gazetatrend.pl/>.