

**University of Minnesota - Twin Cities**

Department of Economics  
 4-101 Hanson Hall  
 1925 Fourth Street South  
 Minneapolis, Minnesota 55455  
 U.S.A.

(612) 625-6353  
 (612) 624-0209 FAX

*Placement Directors*  
 Ellen R. McGrattan  
 erm@umn.edu  
 (612) 625-6714  
 Thomas Holmes  
 holmes@umn.edu  
 (612) 625-6353

*Placement Coordinator*  
 Catherine Bach  
 (612) 625-6859  
 c-bach@umn.edu

**Curriculum Vitae**  
**Fall 2019**

**SON T. DINH****Personal Data***Address*

4-101 Hanson Hall  
 1925 Fourth Street South  
 Minneapolis, MN 55455

*Contact Information*

Cell: 812-606-9666  
 E-mail: dinhx099@umn.edu  
 URL: sites.google.com/view/sondinh/home

*Citizenship:* Vietnam (J1 Visa)

**Major Fields of Concentration**

Macroeconomics, International Macroeconomics

**Education**

<i>Degree</i>	<i>Field</i>	<i>Institution</i>	<i>Year</i>
PhD	Economics	University of Minnesota (expected)	2020
MA	Economics	University of Minnesota	2018
BS	Finance <i>summa cum laude</i>	Indiana University Bloomington	2013

**Dissertation**

Title: "Essays in International Macroeconomics"

Dissertation Advisor: Professor V. V. Chari

Expected Completion: Summer 2020

**References**

Professor Larry Jones	(612) 624-4553 lej@umn.edu	Department of Economics University of Minnesota 4-101 Hanson Hall
Professor V. V. Chari	(612) 626-7151 chari002@umn.edu	1925 Fourth Street South Minneapolis, MN 55455
Professor Christopher Phelan	(612) 626-2533 cphelan@umn.edu	
Dr. Simran Sahi	(612) 625-6353 ssahi@umn.edu	

## Honors and Awards

Summer 2019	<i>GRPP Fellowship</i> , University of Minnesota, Minneapolis, Minnesota.
Summer 2017 - Summer 2018	<i>Distinguished Instructor</i> , Department of Economics, University of Minnesota, Minneapolis, Minnesota. Received the award three times.
Spring 2016	<i>Distinguished Teaching Assistant</i> , Department of Economics, University of Minnesota, Minneapolis, Minnesota.
2014 - 2015	<i>Mary and Robert Litterman Fellowship</i> , Department of Economics, University of Minnesota, Minneapolis, Minnesota.
Summer 2011	<i>Hutton Honors College Independent Research Grant</i> , Indiana University Bloomington, Bloomington, Indiana.
2010 - 2011	<i>Robert R. and Mary Pence Cosner Scholarship in Business</i> , Indiana University Bloomington, Bloomington, Indiana.
2009 - 2013	<i>Indiana University Distinction Scholarship</i> , Indiana University Bloomington, Bloomington, Indiana.

## Teaching Experience

Summer 2016 - Present	<i>Instructor</i> , Department of Economics, University of Minnesota, Minneapolis, Minnesota. Taught <i>Principles of Macroeconomics</i> , <i>Intermediate Macroeconomics</i> , <i>Money and Banking</i> , and <i>Numerical Methods in Economics</i> which was a course offered to second year PhD students.
2015 – 2016	<i>Teaching Assistant</i> , Department of Economics, University of Minnesota, Minneapolis, Minnesota. Led recitations for the graduate <i>Microeconomic Theory</i> sequence.

## Research Experience

September 2012 - March 2013	<i>Student Research Assistant</i> , University of Indiana Bloomington, Bloomington, Indiana
June 2010 - July 2010	<i>Equity Research Intern</i> , Vietcombank Securities Company, Hoan Kiem District, Hanoi Vietnam

## Working Papers

“Bank Runs, Sovereign Risks, and International Reserves,” 2019  
“Optimal Foreign Exchange Intervention,” 2018  
“Financial Intermediaries and Capital Misallocation,” with Mohammad Khani

## Computer Skills

Matlab, STATA, Python

## Languages

English (fluent), Vietnamese (native)

## **Abstract**

“Bank Runs, Sovereign Risks, and International Reserves,” job market paper

Policymakers in developing countries often argue that an important reason for having international reserves is to have adequate liquidity in the event of shocks like bank runs. This paper studies the effect of domestic bank run risks on government reserve accumulation in a quantitative model of systemic bank runs and sovereign default with short-term debt and a risk-free asset. When countries’ fundamentals are weak, pessimistic expectations of investors can lead to runs on the domestic banking system. A government which commits to aggressively intervene ex-post can help to eliminate the “pessimistic” run equilibrium. Such intervention, by simply borrowing in the face of an impending crisis, is costly because interest rates rise sharply in crisis times. One way to prepare for crises is to build up a stock of international reserves in normal times. A quantitative exercise finds welfare gains of procyclical reserve accumulation policies to be economically substantial, suggesting that precautionary savings in light of domestic financial instability risks is an important channel through which reserve accumulation helps stabilize the economy and improves welfare.

“Optimal Foreign Exchange Intervention”

Foreign exchange interventions are frequently used by central banks around the world to influence the exchange rate or to increase reserve buffers for precautionary reasons. This paper proposes a mechanism in which sterilized foreign exchange interventions, by changing the composition of the relative stocks of domestic and foreign assets held by the public, have real effects on aggregate variables. We explore this non-neutrality property using a small open economy model with domestic banks subject to borrowing constraints on foreign credit and domestic assets with different collateralizing properties. A sterilized purchase of foreign reserves increases the supply of government bonds held by private agents. On one hand, this intervention crowds out private investment as private agents can no longer borrow freely from abroad to offset government borrowing when the borrowing constraint binds. On the other hand, due to its attractive collateralizing quality, government bond has the benefit of relaxing the borrowing constraint especially when foreign credit is large. Thus, the total supply of government bond affects private credit flows, causing real effects on the exchange rate and aggregate variables. The analysis yields several important implications for optimal foreign exchange intervention policy.