JOHANNES MATSCHKE

Economist - Federal Reserve Bank of Kansas City
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POSITIONS

Federal Reserve Bank of Kansas City *2021 - present*
Economist

EDUCATION

University of California, Davis *2015 - 2021*
PhD in Economics

Ludwig Maximilian University of Munich *2012 - 2016*
MS in Statistics

University of Nebraska, Omaha *2012 - 2013*
MS in Economics

Ludwig Maximilian University of Munich *2009 - 2012*
BS in Economics

RESEARCH INTERESTS

Banking and Financial Regulation, Macro-finance, International Finance and Applied Time Series including: prudential policies, financial frictions, spillovers, externalities, policy coordination, capital controls, exchange rate regimes, Trilemma, asset pricing, business cycle dating and time series econometrics for policy analysis.

WORKING PAPERS

National Interests, Spillovers and Macroprudential Coordination
I theoretically and empirically argue that domestically oriented regulators from countries with a smaller banking sector do not internalize the global benefits of regulation and therefore do not adhere to international standards. In terms of policy recommendations, the model justifies capital controls if countries do not cooperate. Though capital controls improve the welfare of regulating economies, they also align the interest of free-riding countries with international regulation.

Financial Cycles and Domestic Policy Choices (with Florian Loipersberger) (revise & resubmit, European Economic Review)
We show that capital controls are as effective as floating exchange rates in buffering international financial shocks onto the domestic economy, but either tool is enough. We argue that these patterns are consistent with an aggregate demand externality, but not the degree of monetary independence as suggested by the Trilemma.

Capital Controls and the Global Financial Cycle (with Marina Lovchikova)
We argue that emerging markets may rationally decide to implement pro-cyclical capital inflow restrictions. We first reveal that countries increase their restrictions in response to market volatility and elevated risk aversion. Then, we provide a framework that justifies this behaviour. The model features two crucial elements: Risky debt and risk averse international investors.

Prudential Policy Interlinkages
Capital flows to emerging markets are volatile and, coupled with limited pledgeability, justify prudential capital controls. I introduce a domestic financial market into an otherwise standard small open economy model and show that capital controls should be accompanied by purely domestic macroprudential policies even when domestic markets are frictionless.

Leverage, Volatility and a Constant Macroprudential Tax on Debt
This paper shows that a constant tax on debt can act in a macroprudential sense and stabilize the economy by more than time-varying policies.

WORK IN PROGRESS

Capital Controls and Business Cycle Dynamics: A Doubly Robust Approach

A Bayesian Decomposition of Housing Prices for US Metro Areas (with Marina Lovchikova)

A Meta List for Financial Crises (with Òscar Jordà and Alan M. Taylor)

PRESENTATIONS

2021
Bank of England; Bundesbank; Federal Reserve Bank Kansas City; University of Albany (SUNY); University of Bonn; University of Nebraska, Omaha

2020
EGSC University of Washington, St. Louis; University of Bonn; University of Munich; Virtual International Trade and Macro seminar; Warwick Ph.D. Conference; 57th Annual MVEA Conference

2019
8th Annual West Coast Workshop in International Finance; 56th Annual MVEA Conference

HONORS AND AWARDS

UC Davis
Department Conference Travel and Research Support Award (2020); GSA Travel Award (2020); Graduate Student Travel Award (2019); Research Support Award (2018); Graduate Fellowship (2016); Nonresident Tuition Fellowship (2015 - 2018)

TEACHING

UC Davis
Associate Instructor: Econometric Theory and Applications

Teaching Assistant: Macroeconomic Theory (PhD Level); Econometric Foundations (PhD Level); Intermediate Macro Theory; Analysis of Economic Data (3x); Theory of Games & Strategic Behavior; Money, Banks & Financial Institutions; Macroeconomic Policy

Ludwig Maximilian University of Munich
Teaching Assistant: Math for Economists

REFERENCES

Alan M. Taylor	**James Cloyne**	**Òscar Jordà**
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Professor	Associate Professor	Professor
Department of Economics	Department of Economics	Department of Economics
University of California, Davis	University of California, Davis	University of California, Davis