

CARLOS E. J. M. ZARAZAGA

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Citizenship: Argentina/ US permanent resident.

Ph.D. in Economics

1992 University of Minnesota

Licenciado en Economía.

1978 Universidad de Buenos Aires, Argentina

BRIEF PROFESSIONAL BIOGRAPHY

Carlos E. J. M. Zarazaga is Senior Research Economist and Policy Advisor at the Federal Reserve Bank of Dallas. He holds a Licenciatura in Economics from Universidad Nacional de Buenos Aires, Argentina, and a Ph.D. in Economics from the University of Minnesota, USA.

Previous to his Graduate Studies in the United States, he worked at the Central Bank of Argentina, first as an economist at the Public Finance Department and later as economic advisor for the Fiscal Affairs Commission of Argentina's Senate. After receiving his Ph D, he joined the Federal Reserve System in 1992, first at the Federal Reserve Bank of Philadelphia and then, from 1994 to present, at the Federal Reserve Bank of Dallas.

At his current position, Dr. Zarazaga regularly briefs the President and Board of Directors of the Dallas Fed about economic conditions in the United States and abroad. In addition to this policy oriented responsibilities, Dr. Zarazaga carries out scholarly research on economic topics relevant to his position, such as business cycles and economic crises, inflation outcomes under alternative monetary and fiscal policy regimes, fiscal policy and sovereign debt defaults, and growth and economic development.

He participates regularly in academic and policymaking forums throughout the world, and periodically publishes his research in books, Dallas Fed publications, and peer-reviewed journals.

EMPLOYMENT HISTORY

2005-present **Federal Reserve Bank of Dallas** *Research Department*
Senior Research Economist and Policy Advisor

1994-2005 **Federal Reserve Bank of Dallas** *Research Department*
Senior Economist and Executive Director of the Center for Latin American Economies

1992-94: **Federal Reserve Bank of Philadelphia** *Research and Statistics Department*
Economist.

1990-91: **Federal Reserve Bank of Minneapolis & University of Minnesota**
Research Assistant, Institute for Empirical Macroeconomics.

1983-86: **Central Bank of Argentina** *Public Sector Financing Division*
Economist: Position obtained by competitive contest.

1985 Assigned to *Senate Ways and Means Commission* as technical advisor

1981-83: **Lever y Asociados** *Argentine subsidiary of Unilever*
Economic and financial analyst.

1979-81: **Fundación Idea y Acción** *non-profit think tank, Buenos Aires, Argentina*
Research Assistant for the project:
"Analysis of the Effects of Fiscal Policies in Argentina in the Period 1961-80."

1977-79: **Futura Consultores Asociados**, *Buenos Aires, Argentina.*

Junior Economist: participated in cost-benefit analysis and economic evaluation of projects financed by the World Bank.

ECONOMIC RESEARCH PUBLICATIONS

- “The Difficult Art of Eliciting Long-Run Inflation Expectations from Government Bond Prices,” *Staff Papers No. 9*, March 2010, Federal Reserve Bank of Dallas.
- “Argentina’s Lost Decade and The Subsequent Recovery Capital Gap Puzzle,” with Finn E. Kydland, in *Great Depressions of the 20th Century*, Tim Kehoe and Edward C. Prescott editors. Federal Reserve Bank of Minneapolis. 2007. (Working paper version available at <http://www.dallasfed.org/latin/papers/index.html>)
- “Argentina’s Feeble Recovery: Insights from a Real Business Cycle Approach,” *Journal of Policy Reform* 9:3 (September 2006): 219-234. (Working Paper version available at <http://dallasfed.org/research/papers/2006/wp0606.pdf>)
- “Banking and Finance in Argentina, 1900-35,” with Leonard I. Nakamura, in *The New Economic History of Argentina*, Gerardo della Paolera and Alan M. Taylor, editors. Cambridge University Press. 2003. (Working Paper version available at <http://www.dallasfed.org/latin/papers/2001/index.html>)
- “Conjectures on Why the Devaluation Did Not Cure Argentina,” *Revista Venezolana de Análisis de Coyuntura*, (Universidad Central de Venezuela) January-June 2003.
- “Argentina’s Recovery and Excess Capital Shallowing of the 1990s,” joint with Finn E. Kydland, *Estudios de Economía*, (Universidad de Chile,) June 2002. (Working Paper version available at <http://www.dallasfed.org/latin/papers/2002/index.html>)
- “Latin American Market Reforms Put to the Test,” with Sherry Kiser. *The Southwest Economy*, July/August 2002 (4): 9-10. Federal Reserve Bank of Dallas. (Available at <http://dallasfed.org/research/swe/2002/swe0204c.pdf>)
- “Implementation Guidelines for Dollarization and Monetary Unions,” joint with William C. Gruben and Mark A. Wynne, in *Dollarization: Debates and Policy Alternatives*, Eduardo Levy Yeyati and Federico Sturzenegger, editors. MIT Press. 2002. (Working Paper version available at <http://www.dallasfed.org/latin/papers/2001/index.html>)
- “Argentina’s Lost Decade,” joint with Finn E. Kydland, *Review of Economic Dynamics*, January 2002. (Working Paper version available at <http://www.dallasfed.org/latin/papers/2001/index.html>)
- “Comments on Stabilization Policies and the Costs of Dollarization”, *Journal of Money, Credit, and Banking*. Special issue on the dollarization conference organized by the Federal Reserve Bank of Cleveland. June 2000.

"Building a Case for Currency Boards," *Pacific Economic Review* 4:2. Special issue on currency boards (June 1999): 139-63.

"Measuring The Benefits of Unilateral Trade Liberalization, Part II: Dynamic Models," *Economic and Financial Review*, Federal Reserve Bank of Dallas. First Quarter 2000: 29-40. (Available at <http://www.dallasfed.org/research/efr/2000/efr0001c.pdf>)

"Measuring The Benefits of Unilateral Trade Liberalization, Part I: Static Models," *Economic and Financial Review*, Federal Reserve Bank of Dallas. Third Quarter 1999: 14-25. (Available at <http://www.dallasfed.org/research/efr/1999/efr9903b.pdf>)

"Do International Financial Crises Defy Diagnosis?" *The Southwest Economy*, January/February 1999: 10-12. Federal Reserve Bank of Dallas.

"Instituciones fiscales, independencia del banco central y cómo un poco de inflación puede llevar a mucha," in *Crisis Financiera: Mercado Sin Fronteras*. Alicia Girón and Eugenia Correa, editors. Universidad Nacional Autónoma de México. Instituto de Investigaciones Económicas. Ediciones El Caballito. México. 1998.

"Economic Growth in Argentina in the Period 1900-30: Some Evidence from Stock Returns," in *Latin America and the World Economy since 1800*. John H. Coatsworth and Alan M. Taylor, editors. Cambridge, Massachusetts: Harvard University Press. 1998. (Working Paper version available at <http://www.phil.frb.org/files/wps/1997/wp97-22.pdf>)

"Is the Real Business Cycle of Argentina "Different"?" with Finn E. Kydland. *Economic Review*, Federal Reserve Bank of Dallas. Fourth Quarter 1997: 21-36. (Available at <http://www.dallasfed.org/research/er/1997/er9704c.pdf>)

"Fixed, Flexible, or Pegged: Should We Care?" *The Southwest Economy*, Federal Reserve Bank of Dallas. November/December 1997: 9-10.

"Currency Boards and the Problem of Time Inconsistency: the Role of Fiscal Institutions in Keeping Inflation Low," in *Currency Board System: A Stop-Gap Measure or a Necessity?* Singapore: Board of Commissioners of the Currency of Singapore. 1997.

Historical Overview and Post-World War Political Economy sections of the chapter on Argentina in *The Political Economy of Latin America in the Postwar Period*. Laura Randall, editor. Austin: University of Texas Press. 1997.

"Policy Rules and Tequila Lessons: Conclusions from an Economic Conference," with Sheila Dolmas. *The Southwest Economy*, Federal Reserve Bank of Dallas. November/December 1996: 7-18.

"Crecimiento Económico de la Argentina en el período 1900-30: evidencia a partir de tasas de retorno en el mercado bursátil" en *Anales de la Asociación Argentina de Economía Política*. Facultad de Ciencia Económicas, Jurídicas y Sociales. Universidad Nacional de Salta. 1996.

"Argentina, Mexico, and Currency Boards: Another Case of Rules versus Discretion." *Economic Review*, Federal Reserve Bank of Dallas. Fourth Quarter 1995: 15-24.

"Can Currency Boards Prevent Devaluations and Financial Meltdowns?" *The Southwest Economy*, Federal Reserve Bank of Dallas. Issue 4, 1995: 6-9.

"The Tequila Effect," *The Southwest Economy*, Federal Reserve Bank of Dallas. Issue 2, 1995: 7.

"Central Bank Independence: How a Little Bit of Inflation Can Lead to a Lot," *Business Review*, Federal Reserve Bank of Philadelphia, September-October 1994.

"Is There a Laffer Curve for the Inflationary Tax? Some Empirical Evidence for Argentina and Israel." Working Paper 94-12, July 1994. Federal Reserve Bank of Philadelphia.

"Hyperinflations and Moral Hazard in the Appropriation of Seignorage," Working Paper 93-26, November 1993. Federal Reserve Bank of Philadelphia.

"Some evidence on fiscal and monetary policies in Argentina" in collaboration with Adrián Guissarri. *Economic Essays*, Central Bank of Argentina, 1981.

PROFESSIONAL INTERACTION CONFERENCES AND FORUMS ORGANIZED

Sovereign Debt in the 21st Century, A Public Policy cum Research Camp conference, November 6-9, 2003. Federal Reserve Bank of Dallas. Dallas, Texas. USA. In cooperation with Mark Wynne, FRB Dallas. Joint event with the Department of Economics of the University at Texas at Austin. (Conference details available at <http://www.dallasfed.org/news/archive.html>)

"Creating Understanding and Transprovincial Coalitions in the Argentina Economy: a Workshop and Cultural Experience" Economic Forum for Economic Ministers and High-Rank officers of Argentina's provinces. Sponsored by the Federal Reserve Bank of Dallas, Texas Christian University, and Consejo Federal de Inversiones, Argentina. Federal Reserve Bank of Dallas, April 10-11.

Dollarization: A Common Currency for the Americas? March 6-7, 2000. Federal Reserve Bank of Dallas. Dallas, Texas. USA. (Conference details available at <http://www.dallasfed.org/news/latin/00dollarspeech.html>)

The Role of Regulation in Post-Privatization Environments, May 21-22, 1998. Buenos Aires, Argentina. Co-sponsored with The Tinker Foundation, The John G. Tower Center for Political Studies of Southern Methodist University, and Universidad de Palermo of Buenos Aires, Argentina.

Policy Rules and Tequila Lessons, August 12-13, 1996. Universidad Torcuato Di Tella, Buenos Aires, Argentina.

Exchange Rates, Capital Flows, and Monetary Policy in a Changing World Economy, September 14-15, 1995. Federal Reserve Bank of Dallas, Dallas, Texas, USA.

PROFESSIONAL INTERACTION PARTICIPATION IN PANELS, ROUND TABLES, INVITED LECTURES, SPEECHES

Invited speaker at the International Economic Policy Seminar "The Future of Exchange Rate Controls in

Latin America,” sponsored by the US AID agency and Sociedad Mundial del Futuro Venezuela, Caracas, Venezuela, July 30-31, 2003: “Latin America in Retrospect and in Prospect: Food for Thought”

Invited speaker at the 2002 International Symposium “Monetary Options for South America in the Light of the Globalization and Integration Processes,” sponsored by the Central Bank of Venezuela, Universidad Central de Venezuela and Andean Corporation for Development. Caracas, Venezuela, November 27-29: “Why A Big Devaluation Did Not Cure Argentina as Some Doctors Promised.”

Keynote speaker at the Dallas Committee on Foreign Relations Meeting, October 2, 2002, Dallas Petroleum Club, Dallas, Texas: “Argentina’s Meltdown: Food for Thought.”

Invited speaker at the conference “The Argentine Crisis: Past, Present, and Future”. Teresa Lozano Long Institute for Latin American Studies Conference, University of Texas at Austin, April 22-23, 2002: “Convertibility Law, Optimal Policy Rules, and the Fate of Free Market Reforms.”

Keynote speaker at the 2001 Annual Meeting of the Argentina-US Chamber of Commerce at Texas Christian University, Fort Worth, Texas, December 5: “Argentina at the Brink of Default: Implications for Emerging Markets.”

Invited speaker at the 2001 Annual Convention of the Colombian Association of Banks and Financial Institutions, Cartagena, Colombia, June 7: *Dollarization or Institutions?*

Panelist in session *Dollarization, Currency Boards: A Solution?* at the conference on “Capital Flows: Effects on Latin America,” sponsored by the Center for Latin American and Caribbean Studies of New York University and the Latin American Business Association at the Stern School of Business. Stern School of Business, New York University, New York City, April 30, 1999.

Invited Lecture at the Centro de Estudios Monetarios Latinoamericanos (CEMLA) Annual Monetary Policy Seminar, August 12-13, 1998: *An Overview of the Models and Operating Procedures Used in the Formulation of US Monetary Policy.*

Keynote speaker at the Currency Board Symposium in celebration of the 100th Anniversary of the Singapore’s Currency Board System, sponsored by the Board of Commissioner of the Currency of Singapore, Singapore, September 30, 1997. *Currency Boards and the Problem of Time Inconsistency: the Role of Fiscal Institutions in Keeping Inflation Low.*

Panelist at the Round Table on *Currency Boards: a stop-gap measure or a necessity?* Currency Board Symposium at Singapore, September 30, 1997, Singapore.

Keynote speaker at Saint Joseph University’s monthly faculty lunch, Philadelphia, April 8-9, 1997. *Real Business Cycle Theory and its Implications for the Understanding of the Business Cycles of Latin American Countries.*

PROFESSIONAL INTERACTION

ACTIVITIES WITH REFEREED PROFESSIONAL JOURNALS AND RESEARCH AGENCIES

American Economic Review
The Berkeley Electronic Journal of Macroeconomics
Journal of Political Economy
Journal of Monetary Economics

Journal of International Economics
International Economic Review
Contemporary Policy Issues
Journal of Development Economics
InterAmerican Development Bank
Agencia Nacional de Promoción Científica y Tecnológica, Argentina

TEACHING EXPERIENCE

- 1997Oct/Nov **Universidad Torcuato Di Tella** *Department of Economics, Buenos Aires, Argentina*
Advanced Topics Course on “Open Economy Real Business Cycles: Models, Evidence, Advances, and Puzzles.”
- 1993 **University of Pennsylvania** *Wharton Business School*
Lecturer
- 1991-92 **University of Minnesota** *Department of Economics*
Teaching Associate
- 1987-90 **University of Minnesota** *Department of Economics*
Teaching Assistant

Ph. D. DISSERTATION COMMITTEES

“*Terms of Trade, Business Cycles and Tobin's q in Developing Open Economies*,” by Víctor Pacharoni, Georgetown University, July 1, 2003.

SCHOLARSHIPS AND FELLOWSHIPS

- 1986-91 Graduate School Tuition Scholarship, University of Minnesota.
- 1990-91 Sloan Foundation Open Economies Macroeconomics Grant. Department of Economics, University of Minnesota.
Heller Fellowship in Public Policy, Department of Economics, University of Minnesota.
Hardy Fellowship, Department of Economics, University of Minnesota.
- 1987-89 Organization of American States (OAS), Regular Training Program Fellowship.

RESEARCH INTERESTS AND WORK IN PROGRESS

Endogenous default-preventing financial constraints and international capital flows (with Finn Kydland and Marek Kapicka, University of California-Santa Barbara)

A century of stock returns in Argentina (with Leonard Nakamura, Federal Reserve Bank of Philadelphia)

Latin America's growth and financial crises

Institutions, the structure of information, and fiscal/monetary policy regime choices

Inflation expectations content of the yield curve