

# LOUPHOU COULIBALY

## PERSONAL DATA

### Address

Université de Montréal  
Department of Economics  
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### Contact Information

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### Citizenship

Ivory Coast (Canadian Permanent Resident)

### Languages

English and French

## FIELDS OF INTEREST

### Primary

International Finance, Monetary Economics

### Secondary

Open-economy Macroeconomics, Financial Intermediation

## PhD THESIS

### Title:

Essay in Macroeconomics and International Finance

### Thesis supervisor:

Julien Bengui (Université de Montréal)

### Date of completion:

May 2019 (Expected)

## EDUCATION

2013 – present

Ph. D. Economics, Université de Montréal, Canada

2010 – 2013

M. Sc. in Statistics and Economics (1st ranked), National School of Statistic and Applied Economics (ENSEA), Abidjan, Côte d'Ivoire

## PROFESSIONAL EXPERIENCE

Sept. 2018 – Oct. 2018

Visiting student, University of Virginia, United States.

Sept. 2016 – Dec. 2016

Visiting scholar, Federal Reserve Bank of Minneapolis, United States.

Aug. 2016 – Sept. 2016

Consultant, National Bureau of Economic Research, United States.

June 2013 – July. 2013

Junior Analyst, Guaranty Trust Bank, Côte d'Ivoire.

Aug. 2012 – Oct. 2012

Economist (Intern.), West African Countries Central Bank, Côte d'Ivoire.

## PAPERS AND PUBLICATIONS

- “Monetary Policy in Sudden Stops-Prone Economies”, *Job Market Paper*.
- “Financial Safety Nets”, with *Julien Bengui* and *Javier Bianchi*, forthcoming *International Economic Review*.
- “Macroeconomic Policy Coordination in Financially Fragile Economies”.

## WORK IN PROGRESS

- “Bailouts and Macroprudential Policies with Firms Heterogeneity”.
- “Macroprudential Arrangements for Currency Unions” with *Sushant Acharya* and *Julien Bengui*.

## RESEARCH EXPERIENCE

July 2017 – Apr. 2018

Research Assistant for Prof. Sebastian Stumpner  
Project: *The U.S. Product Market Effects of Chinese Import Penetration*.

- Apr. 2016 – May 2016** Research Assistant for Prof. Emanuela Cardia  
Project: *Great Depression and the Lasting Effects of Mortgage Debt on Women's Work.*
- Sept. 2014 – Apr. 2015** Research Assistant for Prof. Julien Bengui and Javier Bianchi  
Project: *Macroprudential Policy with Leakages.*

## CONFERENCES AND SEMINARS

- **2018:** Midwest Macroeconomic Meetings, Nashville, United States  
2018 Africa Meeting of the Econometric Society, Cotonou, Benin  
52<sup>nd</sup> Annual Conference of Canadian Economics Association, Montreal, Canada
- **2017:** 31st Annual Meeting of the Canadian Macroeconomics Study Group, Ottawa, Canada  
Bank of Canada's Brown Bag Lunch series, Ottawa, Canada  
13<sup>th</sup> CIREQ Conference, Concordia University, Montreal, Canada
- **2016:** Federal Reserve Bank of Minneapolis Bag Lunch Seminars, Minneapolis, United States  
Workshop at the University of Minnesota, Minneapolis, United States  
50<sup>th</sup> Annual Conference of Canadian Economics Association, Ottawa, Canada  
55<sup>th</sup> Congress - Société Canadienne de Science Économique, Montréal, Canada

## FELLOWSHIPS AND AWARDS

- **2018:** 2018 Bank of Canada Graduate Student Paper Award Finalist.
- **2016-2018:** PhD Fellowship, CIREQ & Department of Economics, Université de Montréal.
- **2016-2018:** CIREQ Association Graduate Travel Scholarship
- **2013-2015:** Tuition-fee Waiver Scholarship, School of Graduate Studies, Université de Montréal.
- **2010-2013:** M. Sc. Fellowship, Government of Côte d'Ivoire.
- **2001-2010:** Excellence Scholarship, Government of Côte d'Ivoire.

## TEACHING EXPERIENCE

- **Instructor:**  
ECN 1075, Quantitative methods for economists 2 (undergraduate), 2016-2017, Université de Montréal
- **Teaching Assistant:**  
ECN 7055, Macroeconomics (Ph.D. level), Université de Montréal, 2015-2018.  
ECN 7050, Macroeconomics (Ph.D. level), Université de Montréal, 2014-2015 and 2017.  
ECN 1070, Quantitative methods for economists 1 (B.A. level), Université de Montréal, 2015-2018.  
ECN 1260, Econometrics (B.A. level), Université de Montréal, 2014.

## REFERENCES

- Julien Bengui Assistant Professor, Université de Montréal  
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[julien.bengui@umontreal.ca](mailto:julien.bengui@umontreal.ca)
- Javier Bianchi Senior Research Economist, Federal Reserve Bank of Minneapolis  
+1 (612) 204 5934  
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- Anton Korinek Associate Professor, University of Virginia  
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## SUMMARY OF THE THESIS

This thesis focuses on understanding the sources of financial instability and studies the optimal design of fiscal, macroprudential, monetary, and exchange-rate-based stabilization policies.

### **Monetary Policy in Sudden Stop-Prone economies (Job Market Paper)**

Monetary policy procyclicality is a pervasive feature of emerging market economies. In this paper, I propose a parsimonious theory explaining this fact in a model where access to foreign financing depends on the real exchange rate and the government lacks commitment. The discretionary monetary policy is procyclical to mitigate balance sheet effects originating from exchange rate depreciations during sudden stops. Committing to an inflation targeting regime is found to increase social welfare and reduce the frequency of financial crises, despite increasing their severity. Finally, the ability to use capital controls induces a less procyclical discretionary monetary policy and delivers higher welfare gains than an inflation targeting regime by reducing both the frequency and the severity of crises.

### **Financial Safety Nets (with Julien Bengui and Javier Bianchi, Forth. *International Economic Review*)**

In this paper, we study the optimal design of financial safety nets under limited private credit. We ask when it is optimal to restrict ex ante the set of investors that can receive public liquidity support ex post. When the government can commit, the optimal safety net covers all investors. Introducing a wedge between identical investors is inefficient. Without commitment, an optimally designed financial safety net covers only a subset of investors. Compared to an economy where all investors are protected, this results in more liquid portfolios, better social insurance, and higher ex ante welfare. Our result can rationalize the prevalent limited coverage of safety nets, such as the lender of last resort facilities.

### **Bailouts and Macroprudential Policies with Firms Heterogeneity**

This paper studies how bailout policies affect firms' funding decisions and creates asymmetric incentives to overborrow. It also analyzes the importance of heterogeneity in the evaluation of the potential benefits from prudential regulatory measures to correct excessive risk taking in international capital market. In an environment in which firms face friction in their capacity to finance investment, bailouts are desirable to prevent credit crunches, which would otherwise lead to sharp drop in output and employment. However, I show that, depending on firms' initial wealth, the expectation of bailouts creates incentives for firms to take on even more risk. This increases the vulnerability of the whole economy to a financial crisis. I then consider that the government have access to non-firm-specific debt taxes to resolve the time-inconsistency problem in bailouts. I find that prudential debt taxes incurred additional costs that are often overshadowed in the current literature: that is TFP losses from misallocation. I compare these costs to the benefits from correcting the moral hazard problem, and quantify the distributional effects.