PHILIP OLIVER BARRETT

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EDUCATION		
	PhD., Economics, University of Chicago	
	Thesis *"Reputation and Sovereign Default"*	2016
	MSc. (with Distinction), Econometrics and Mathematical Economics,	
	London School of Economics and Political Science	2008
	MA. (First Class Honours), Mathematics, University of Oxford, New College	2005

EMPLOYMENT		
	Economist, International Monetary Fund	
	Middle East and Central Asia Department	2018-
	Fiscal Affairs Department	2016-2018
	Research Assistant for Fernando Alvarez	2013-2015
	Research Assistant for Lars Hansen	2013
	Economist, Bank of England	2008-2010
	Analyst, Bank of England	2005-2007

TEACHING EXPERIENCE		
	Instructor/Coordinator	
	Practical Computing for Economists (Graduate student colloquium)	2014 & 2015
	TA	
	Macroeconomics I (Lopes de Melo, Undergraduate)	2016
	Theory of Income I (Alvarez, PhD), Monetary Economics (Alvarez, PhD)	2014
	Theory of Income II (Shimer, PhD), Numerical Methods (Judd, PhD)	2013
	Money & Banking (Uhlig, BA), Theory of Income II (Stokey, PhD),	
	Theory of Income I (Stokey, PhD)	2012
	Empirical Analysis I (Shaikh/Uhlig, PhD)	2011

RESEARCH

Why are Countries Asset Portfolios Exposed to Nominal Exchange Rates? (With Jonathan Adams)

Most countries hold large gross asset positions, lending in their domestic currency and borrowing in foreign currency. As a result, their balance sheets are exposed to nominal exchange rate movements. We argue that when asset markets are incomplete, nominal exchange rate exposure allows countries to partially insure against shocks that move real exchange rates. We demonstrate that asset market incompleteness which features a meaningful portfolio choice can simultaneously generate realistic gross asset positions and also resolve the Backus-Smith puzzle: that relative consumptions and real exchange rates are negatively correlated. We also show that local perturbation methods that use endogenous discount factors to stabilize models are inaccurate when the average and steady state interest rates differ, even when they correctly characterize the average portfolio holdings. To address this, we develop a novel global solution method to accurately solve the equilibrium portfolio problem. (Submitted, available as IMF Working Paper 17/291)

Interest-Growth Differentials and Debt Limits in Advanced Economies Do persistently low nominal interest rates mean that governments can safely borrow more? To addresses this question, I extend the model of Ghosh et al. (2013) to allow for persistent stochastic changes in nominal interest and growth rates. The key model parameter is the long-run difference between nominal interest and growth rates; if negative, maximum sustainable debts (debt limits) are unbounded. I show how both VAR- and spectral-based methods produce negative point estimates of this long-run differential,

but cannot reject positive values at standard significance levels. I calibrate the model to the UK using positive but statistically plausible average interest-growth differentials. This produces debt limits which increase by only around 5% GDP as interest rates fall after 2008. In contrast, only a tiny change in the long-run average interest-growth differential from the 95 th to the 97.5 th percentile of the distribution is required to move average debt limits by the same amount.

Terms of Trade Shocks and Heterogeneous International Portfolio Positions
(With Jonathan Adams)
How do terms of trade shocks affect open economies? We use a panel of exogenous terms of trade shocks for 93 countries to estimate the dynamic effects on macroeconomic variables. We find that terms of trade shocks resemble wealth shocks: a terms of trade improvement increases consumption and investment by more than output and decreases net exports, contrary to prior evidence and standard theory. To explain this outcome, we also show that terms of trade improvements increase countries' net foreign asset position, due to valuation effects of nominal net assets. To make sense of these results, we augment a standard business cycle model with realistic international portfolio choice. We estimate the model for a large sample of countries, and show that it can replicate our empirical findings: terms of trade improvements look like wealth shocks, and their importance for business cycles is heterogeneous, depending on the country's international portfolio position.

The fiscal cost of conflict: Evidence from Afghanistan 2005-2016
Abstract available on request.

HONORS AND AWARDS		
	Economics Department Morgenthau Fellowship	2015
	Bradley Fellowship	2015
	MFM Dissertation Support	2015
	Roswell Hartson & Mary McKeon Whitman Scholarship	2012-2013
	Best core TA award (voted for by 1st year PhD students)	2012
	Lee prize for best macro field exam	2012
	Sherwin Rosen Fellowship	2011
	Bank of England Postgraduate Sponsorship Scheme	2008

PROFESSIONAL ACTIVITIES

Referee

Journal of Monetary Economics	2012, 2015

Presentations

MFM Summer Session, Federal Reserve Bank of Philadelphia	2017
Federal Reserve Bank of St. Louis, Federal Reserve Bard of Governors, Bank of England	2016
Federal Reserve Bank of Chicago	2015
Federal Reserve Bank of Philadelphia	2014

SKILLS

Expert: R   *Advanced:* Matlab, C++, Python, Mathematica
Competent: Stata, MySQL, Julia