
Felix Strobel

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FIELDS OF RESEARCH INTEREST

Primary: Macroeconomics, Monetary Economics, Fiscal Policy, Sovereign Debt
Secondary: Financial Economics, Heterogeneous Agents Models, Applied Econometrics

CURRENT POSITION

since 09/2017 **Post-Doc at IMFS, Goethe University**
Macroeconomic Model Comparison Initiative (MMCI) joint project with Hoover
Institution/Stanford

EDUCATION

02/2011-07/2017 **Ph.D. in Economics**,
Humboldt-Universität zu Berlin, Germany
Title: *“Fiscal Policy and the Macroeconomic Effects of Sovereign Risk”*
Primary Advisor: Prof. Ph.D. Lutz Weinke, Humboldt-Universität zu Berlin
10/2009-07/2017 Berlin Doctoral Program of Economics and Management Sciences,
10/2008-12/2010 **M.Sc. in Economics**, Humboldt-Universität zu Berlin, Germany
10/2004-09/2008 **B.A. in Philosophy & Economics**, University Bayreuth, Germany
09/2006-02/2007 **International Exchange Student**, Universidad de Barcelona, Spain

PROFESSIONAL EXPERIENCE

02/2011-08/2017 Research Assistant, Institute of Economic Policy, Humboldt-Universität zu Berlin
09/2009-01/2011 Student Assistant, Institute of Economic Theory II, Humboldt-Universität zu Berlin
08/2007-10/2007 Gothaer Insurance Company, Cologne (Internship)
02/2006-03/2006 KPMG, Cologne (Internship)

REFERENCES

Prof. Lutz Weinke, Ph.D.
Chair of Economic Policy
Humboldt-Universität zu Berlin
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Prof. Marcel Fratzscher, Ph.D.
President of DIW Berlin, Chair of Macroeconomics
and Finance, Humboldt-Universität zu Berlin
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Giovanni Lombardo, Ph.D.
Senior Economist
Monetary and Economic Department, Monetary Policy Unit
Bank for International Settlements
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PRESENTATIONS

- 2016 Computation in Economics and Finance (Bordeaux);
Theories and Methods in Macroeconomics (T2M) Conference (Paris);
Money, Macro and Finance Conference (Bath);
RCEA Macro-Money-Finance Workshop “*Advances in Macroeconomics and Finance*” (Rimini);
Annual Meeting of the Swiss Society of Economics and Statistics (Lugano);
RGS Doctoral Conference in Economics (Bochum)
- 2015 Annual EEA Meeting (Mannheim);
Money, Macro and Finance Conference (Cardiff);
Bonn Summer School “*Advances in Empirical Macroeconomics*” (Bonn);
Phd Student Workshop at the University of Minho (Braga);

DISCUSSIONS

- 2017 “*Fiscal Multipliers and Financial Crises*” by Miguel Faria-e-Castro, at Research Conference of the CEPR Network on Macroeconomic Modeling and Model Comparison (MMCN) (Frankfurt)
- 2016 “*Financial Fragility and the Fiscal Multiplier*” by Sweder van Wijnbergen and Christiaan van der Kwaak, at IMFS-CEPR Research Meeting on “New Methods for Macroeconomic Modelling, Model Comparison and Policy Analysis” (Frankfurt)

SUMMER SCHOOLS

- 2015 “*Advances in Empirical Macroeconomics*” by Karel Mertens and Francesco Bianchi at the University of Bonn
- 2014 “*Princeton Initiative: Macro Money and Finance*” by Markus Brunnermeier and Yuliy Sannikov at Princeton University
“*Modeling Non-Stationary and Non-Linear Time Series*” by Laura Mayoral and Gabriel Pérez Quirós at Barcelona Graduate School of Economics
- 2011 “*Solution and Estimation of DSGE Models*” by Fabio Canova at Barcelona Macroeconomic Summer School

TEACHING EXPERIENCE

Tutorial *Advanced Monetary Economic* (Ph.D. level), Prof. Lutz Weinke, Ph.D.
Tutorial *Introduction into Advanced Macroeconomic Analysis* (graduate), Prof. Lutz Weinke, Ph.D.
Seminar *Topics in Dynamic Macroeconomics* (graduate and undergraduate), Prof. Lutz Weinke, Ph.D.
Tutorial *Monetary Economic* (undergraduate), Prof. Lutz Weinke, Ph.D.
Tutorial *Business Cycle Theory and Growth Theory* (undergraduate), Prof. Monique Ebell, Ph.D.
Tutorial *Macroeconomics II* (undergraduate), Prof. Lutz Weinke, Ph.D.
Tutorial *Macroeconomics II* (undergraduate), Prof. Michael C. Burda, Ph.D.
Tutorial *Macroeconomics I* (undergraduate), Prof. Lutz Weinke, Ph.D.
Tutorial *Macroeconomics I* (undergraduate), Prof. Michael C. Burda, Ph.D.

ACHIEVEMENTS

2012 ‘Best Teaching Award’ of the School of Business and Economics at Humboldt-Universität zu Berlin

OTHER SKILLS

Software: MATLAB, Dynare, Stata, L^AT_EX, MS-Office.
Languages: German (native), English (fluent), Spanish (fluent)

WORKING PAPERS

- The Government Spending Multiplier, Fiscal Stress, and the Zero Lower Bound,

Abstract. The recent sovereign debt crisis in the Eurozone was characterized by a monetary policy, which has been constrained by the zero lower bound (ZLB) on nominal interest rates, and several countries, which faced high risk spreads on their sovereign bonds. How is the government spending multiplier affected by such an economic environment? While prominent results in the academic literature point to high government spending multipliers at the ZLB, higher public indebtedness is often associated with small government spending multipliers. I develop a DSGE model with leverage constrained banks that captures both features of this economic environment, the ZLB and fiscal stress. In this model, I analyze the effects of government spending shocks. I find that not only are multipliers large at the ZLB, the presence of fiscal stress can even increase their size. For longer durations of the ZLB, multipliers in this model can be considerably larger than one.

Keywords: Government Spending Multiplier, Fiscal Stress, Zero Lower Bound, Financial Frictions

- The Government Spending Multiplier, Fiscal Stress, and Risk,

Abstract. According to a growing empirical literature the government spending multiplier appears to be relatively small in times of fiscal stress. I employ a medium-scale DSGE model with leverage constrained banks and sovereign default risk to analyze how the presence of fiscal stress can affect the transmission of government spending shocks. I find that the role of fiscal stress for the size of the government spending multiplier is negligible when analyzing the linearized economy. When the model is solved using a third-order approximation to equilibrium dynamics, however, and the effects of risk on the transmission of a government spending shock are therefore accounted for, the presence of fiscal stress can lead to a substantial decrease of the government spending multiplier, which is in line with the empirical evidence. For plausible calibrations of the model, the cumulative multiplier can even become negative.

Keywords: Government Spending Multiplier, Fiscal Stress, Aggregate Risk, Financial Frictions

- Fiscal Retrenchment and Sovereign Risk,

Brief summary. I analyse how sovereign risk affects the dynamic consequences of identified government spending shocks. Using a smooth transition SVAR on Italian data, I find that government spending multipliers are smaller in periods with high and volatile government bond yield spreads, compared to multipliers in calm periods. An additionally finding is that the risk premium on government debt increases, when fiscal retrenchment is undertaken in crisis times.

Keywords: Sovereign Risk; Government Spending Multiplier; Smooth Transition VAR.