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Citizenship: Greek (F1 Visa)

Fields of Concentration:

Macroeconomics, Monetary Economics, International Finance
Fiscal Policy, Decentralized Finance

Desired Teaching:

Macroeconomics
Monetary Policy
International Finance

Comprehensive Examinations Completed:

2019 (Oral): Macroeconomics, Financial Economics
2018 (Written): Microeconomics, Macroeconomics

Dissertation Title: *Essays on Macroeconomic Policy with Heterogeneous Agents*

Committee:

Professor Eduardo Davila (Chair)
Professor William English
Professor John Geanakoplos

Degrees:

Ph.D., Economics, Yale University, 2023 (expected)
M.Phil., Economics, Yale University, 2020
M.A., Economics, Yale University, 2019
M.Sc., Economics, Athens University of Economics and Business, 2017
B.Sc., Economics, Athens University of Economics and Business, 2015

Fellowships, Honors, and Awards:

Yale University

Nathan Hale Associates Fellow (2020-2021 and 2021-2022)

Yale University Doctoral Fellowship (2017-2023)

Cowles Foundation & Economic Growth Center Fellowship (2017-2022)

Athens University of Economics and Business

Master's Degree Merit-Based Scholarship (2016-2017)

George Chalkiopoulos Foundation Honorary Commendation and Scholarship (2013)

Teaching Experience:

Yale University (undergraduate):

Teaching Assistant to Prof. Ana Fielier, *International Finance* (Fall 2021)

Teaching Assistant to Prof. Aleh Tsyvinski, *Introductory Macroeconomics* (Spring 2021)

Teaching Assistant to Prof. Eduardo Davila, *Financial Economics* (Fall 2020)

Teaching Assistant to Prof. William English, *Monetary Policy* (Spring 2020)

Teaching Assistant to Prof. Eduardo Davila, *Mathematical Economics: General Equilibrium Theory* (Fall 2019)

Working Papers:

“Quantitative Easing Spillovers”, (November 2022), *Job Market Paper*

“Quantitative Easing and Fiscal Policy Effectiveness”, (November 2022)

“Monetary Policy and DeFi Activity Tick-by-Tick”
with Iason Ofeidis & Georgios Palaiokrassas, (November 2022)

Work In Progress:

“Debt Dilution and Redistribution” (November 2022)

Languages:

Greek (native), English

Computer Skills:

Python, MATLAB, Dynare, Stata, LATEX, LyX

References:

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Dissertation Abstract

Quantitative Easing Spillovers [Job Market Paper]

Quantitative Easing has been one of the most important policies the Federal Reserve has adopted since 2008 to tackle the challenges faced by the US economy. The goal of QE is to lower long-term asset returns and boost aggregate demand and aggregate production. However, QE does not affect only the US economy but also economies around the world, through changes in the exchange rates and asset prices, due to capital flows and through induced changes in macro aggregates such as GDP and inflation. These changes unavoidably create distributional effects between households in the US economy and other economies worldwide. This paper addresses two questions. First, what are the exact effects of US QE programs on the US economy and a set of emerging market economies in terms of their macro aggregates and asset prices? Second, what are the induced distributional effects between residents of each country?

To address the first question, I gather data on macro aggregates and asset prices for the period Q1 2008 – Q4 2021, and I use a Bayesian VAR model for the US economy and a panel Bayesian VAR model for emerging market economies. Both models are identified using the triangular decomposition assumption. Specifically, in both models, macro aggregates are ordered before the relevant QE measures, assuming they cannot respond immediately to a QE shock. In contrast, asset prices and interest rates are ordered after the relevant QE measure, assuming they can adjust instantly after QE shocks. Then I document the following results: First, expansionary QE has positive and statistically significant effects on GDP, investment, the price level, and asset prices in the US economy. Second, expansionary QE has positive and statistically significant effects on GDP, investment, inflation, and stock prices in emerging market economies and causes a real exchange rate appreciation, a deterioration of the current account-to-GDP ratio, and an increase in the long-term government bond yields.

To answer the second question, given the lack of quarterly measures of inequality in emerging market economies, I build a two-country HANK model with private banks and QE policies calibrated to the US and the Mexican economy for the period mentioned above. The model is estimated to produce similar aggregate responses to the ones found in the empirical part. Then I document how various measures of consumption, income, and wealth inequality evolve after a positive QE shock. I find that for both countries, QE tends to increase wealth inequality in the

short run since wealthier households turn to assets with higher returns but decrease it in the medium run since poorer households earn higher labor income due to higher aggregate demand, which allows them to surpass their constraints and to start accumulating assets. I provide empirical evidence for the US economy that shows how the wealth shares of different household groups evolve after a QE shock and compare this with the model's predictions.

I also show that market incompleteness matters for the impulse responses in the two-country world. Specifically, if at least one of the countries has a representative agent instead of heterogeneous agents, the positive aggregate demand effect following an expansionary QE shock is smaller due to the absence of constrained households with high marginal propensities to consume. This lowers the demand for goods in both countries relative to the pure HANK case, although this adverse effect can be reversed in any country by the exchange rate movements. Finally, I show that macroprudential measures designed to reduce the leverage assumed by banks in emerging markets can have significant adverse effects on economic activity and reduce the welfare of the households at the top and the bottom of the wealth distribution. In the US economy, the welfare results are reversed since capital outflows are reduced, and economic activity rises, helping both the wealthier and the poorer households.

Quantitative Easing and Fiscal Policy Effectiveness

This paper studies the effects of fiscal policy on aggregate economic activity and inequality when the monetary authority follows conventional and unconventional policies. First, I build a three-agent Preferred Habitat New Keynesian (PHANK) model with a banking sector in which QE matters for the determination of output in the short run. I analytically derive the fiscal multiplier and show that it decreases in the presence of countercyclical QE policies, even at the ZLB. However, countercyclical QE tends to reduce consumption inequality. A calibration of the model for the US economy yields fiscal and QE multipliers close to 3 when the monetary authority pegs the short-term policy rate. The optimal fiscal and QE policies are expansionary at the ZLB. I also consider a medium-scale HANK model to further study the distributional effects of fiscal expansions under QE and recompute the fiscal multipliers. In the enhanced model, the government spending multiplier at the ZLB is 1.279. Countercyclical QE after a fiscal expansion reduces consumption inequality but increases wealth inequality.

Monetary Policy and DeFi Activity Tick-by-Tick, with Iason Ofeidis & Georgios Palaiokrassas

We analyze a new data set of transactions on two big DeFi platforms on the Ethereum network – Aave and Compound. First, we provide analytics on liquidation events by documenting the characteristics of liquidated investors and the characteristics of their liquidators. We also analyze the behavior of flash loans. Then we use event studies to study the effects of unanticipated changes in monetary policy on digital asset prices. We find that surprises in monetary policy have negative effects on “institutionalized” digital assets such as BTC and ETH but do not significantly affect the rest of the market. Second, we use high-frequency price data to examine the effect of the FOMC statements release and Minutes release on the prices of the assets used as collateral on the protocols mentioned above. FOMC statement release is shown to affect the volatility of crypto asset prices, while the effect of the Minutes release is weaker. The volatility effect strengthened after December 2021, when the Federal Reserve changed its policy to fight inflation.