

Joseph Abadi

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Employment

Federal Reserve Bank of Philadelphia

2021-present

Economist

Graduate Studies

Princeton University

2015-2021

PhD in Economics

Dissertation: *“Essays on Collateralized Debt in Macroeconomics”*

REFERENCES

Professor Markus Brunnermeier

Department of Economics

Princeton University

(609) 903-1549

markus@princeton.edu

Professor Mark Aguiar

Department of Economics

Princeton University

(609) 258-8049

maguiar@princeton.edu

Professor Stephen Morris

Department of Economics

Massachusetts Institute of Technology

(617) 252-1618

semorris@mit.edu

Prior Education

Massachusetts Institute of Technology

2011-2015

B.Sc. in Mathematics and Physics

Fields

PRIMARY Finance, Macroeconomics

SECONDARY Theory

Job Market Paper

“Opaque Intermediation and Credit Cycles.” 2020.

I propose a theory of credit cycles driven by the private production of opaque, liquid assets (e.g., ABS or CLOs). Opacity enhances assets' liquidity, permitting greater issuance volumes, but prevents investors from determining when the underlying projects are of low quality. Strong macroeconomic fundamentals give rise to credit booms characterized by opaque asset origination and pervasive credit misallocation. As bad projects build up in the economy, investors begin to question the value of opaque assets and eventually refuse to finance them altogether, precipitating a collapse in liquidity and investment. The bust has a cleansing effect: opaque origination is abandoned, and investors no longer finance projects whose quality they cannot evaluate. I show that a policymaker would limit opaque intermediation during booms in order to prevent the subsequent bust by implementing transparency regulations and macroprudential policies.

Working Papers

1. “A Model of Collateralized Lending Chains.” 2018.
2. “Blockchain Economics.” With Markus Brunnermeier. 2022.
3. “The Reversal Interest Rate” (under revision at the *American Economic Review*). With Markus Brunnermeier and Yann Koby. 2022.

Research Experience

2017 Research Assistant to Prof. Adrien Matray and Prof. Oleg Itskhoki
2016 Research Assistant to Prof. Benjamin Moll and Prof. Motohiro Yogo

Teaching

Princeton SPI 505: Financial Mgmt. in the Corp. and Public Sectors (MPA, Spring 2020)
SPI 200: Statistics for Social Science (Undergraduate, Spring 2019, Spring 2021)
ECO 342: Money and Banking (Undergraduate, Fall 2018, Fall 2019)
ECO 503: Macroeconomic Theory I (Ph.D., Fall 2017, Fall 2018)
ECO 504: Macroeconomic Theory II (Ph.D., Spring 2018)

Professional Activities

Discussions

2021 CESifo MMI Conference, FRB Philadelphia Digital Currencies Workshop
2020 CESifo MMI Conference, Princeton Privacy Conference

Presentations and Seminars

- 2022 Fintech: Innovation, Inclusion and Risks Conference, Federal Reserve Bank of Philadelphia, SAET Conference, FRB Money Workshop
- 2021 Bank of Canada, FRB Chicago, FRB New York, FRB Philadelphia, FRB Richmond, Federal Reserve Board of Governors, Imperial College London, U. Chicago Booth (Macroeconomics and Finance), USC Marshall (Finance)
- 2020 Cambridge Economics of Digital Ledgers Conference, Princeton University
- 2019 AFA Meetings, CEBRA Conference, CMSA Distributed Ledger Conference at Harvard, CESC at SF Blockchain Week
- 2018 Macro-Financial Modeling Summer Session (poster session)

Refereeing

American Economic Journal: Microeconomics, American Economic Review, American Economic Review: Insights, Econometrica, Journal of Finance, Journal of Political Economy, Review of Industrial Organization

Honors, Scholarships, Fellowships, and Grants

Dissertation Fellowship, Macro-Financial Modeling Group	2018
Princeton Graduate Economics Fellowship	2015–2021
Phi Beta Kappa, MIT	2015
Sigma Phi Sigma Honor Society (Physics), MIT	2015

Languages

English, Spanish (fluent), French (proficient)

Last updated: July 2022