

**Andrew Feltenstein**

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Andrew Feltenstein is Professor of Economics, Andrew Young School of Policy Studies, Georgia State University. He was previously Program Director for Economics at the National Science Foundation, and until November 2008 he was Senior Advisor at the International Monetary Fund, in charge of the IMF's Internal Economics Training Program. He holds a B.A. in mathematics from Harvard University, an M.A. in mathematics from Yale University, and a Ph.D. in economics from Yale. Mr. Feltenstein has held a number of academic positions, including assistant professor at the University of Massachusetts at Amherst, professor at the University of Kansas, and professor at Virginia Tech. After teaching at Massachusetts, he joined the International Monetary Fund in the Young Professionals program, and worked in the Research and Fiscal Affairs departments before moving to the World Bank in the Country Policy Department. Mr. Feltenstein's primary fields of research are public economics and applied general equilibrium, while his current interests involve the analysis of financial assets in the context of banking and macroeconomic reform in developing countries. He has worked as a consultant for the International Monetary Fund, the World Bank, the Asian Development Bank, the UNDP, the Monetary Authority of Singapore, the African Economic Research Consortium, and the Ministry of Finance of China. As part of this consulting work he has carried out research on a variety of countries including China, Singapore, Bangladesh, Pakistan, Mexico, Ecuador, Ethiopia, Tanzania, Uganda, Egypt, and Australia. He has published in a wide variety of journals and books. His most recent papers are on the impact of fiscal decentralization on the macro-economy of China, and on bank panics and mitigating policies, applied to Mexico, Bangladesh, and China, on macro stabilization in Uganda and Tanzania, on trade reform in the ASEAN countries, and on models of tax evasion

## Contact:

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**RESUME**

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Present Position:  
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 Georgia State University

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Education: B.A., Mathematics, Harvard University, 1968  
 Fulbright Scholarship, Mathematics  
 Heidelberg University, Germany, 1968-69  
 M.A., Mathematics, Yale University, 1971  
 Ph. D., Economics, Yale University, 1976

Languages: English (native), Spanish (good), German (adequate)

Doctoral Dissertation: General Equilibrium in a Model of an Economy of the Traditional Soviet Type Advisor: Professor Herbert Scarf, Yale University

Areas of Specialization Applied General Equilibrium, Macroeconomics, International Trade, Public Finance, Transition Economies, International Finance, Development Economics

Previous Positions: Assistant Professor  
 Department of Economics  
 University of Massachusetts at Amherst, 1975-76

Economist (working on Argentina)  
 Western Hemisphere Department  
 International Monetary Fund, 1976-77

Economist  
 Research Department  
 International Monetary Fund, 1977-81

Senior Economist  
Fiscal Affairs Department  
International Monetary Fund, 1982-84

Senior Economist  
Country Policy Department  
World Bank, 1985-88

Professor of Economics  
University of Kansas, 1986-1995

Professor of Economics  
Virginia Tech, 1995-2002

Senior Advisor, IMF Institute  
International Monetary Fund, 2001-2008

Temporary Positions:

Advisor  
Center for Monetary Studies  
Central Bank of Argentina  
September 1979 - February 1980

Visiting Professor  
Stockholm School of Economics  
October - December 1983

Visiting Research Fellow  
Department of Economics  
University of Melbourne, Australia  
February - August 1984

Visiting Professor  
Institute of World Economy  
Fudan University  
Shanghai, China  
February - June 1988  
(Sponsored by award of the U.S. National Academy of  
Science and the Ford Foundation)

Visiting Scholar  
Research Department  
International Monetary Fund  
May - July 1990

Visiting Scholar  
Research Department  
International Monetary Fund  
June - July 1991

Visiting Scholar  
Fiscal Affairs Department  
International Monetary Fund  
June - July 1992

Visiting Scholar  
Monetary and Exchange Affairs Department  
Fiscal Affairs Department  
International Monetary Fund  
May-July 1995

Visiting Scholar  
Research Department  
International Monetary Fund  
June 1996

Visiting Scholar  
IMF Institute  
International Monetary Fund  
January 1999-August 2000

Visitor:

London School of Economics  
January 1984

University of Warwick  
Warwick, England  
February 1984

Stockholm School of Economics  
Stockholm, Sweden  
June 1986

University of Western Australia  
Perth, Australia  
June 1992, August 1995

Referee for:

Review of Economic Studies  
Journal of Comparative Economics

Journal of Development Economics  
Journal of Policy Modeling  
Journal of Public Economics  
Journal of Mathematical Programming  
Economic Journal  
World Development  
American Economic Review  
Journal of International Economics  
ACES Journal  
European Economic Review  
Journal of Money, Credit and Banking  
Econometrica  
Journal of Political Economy  
Journal of Economic Integration  
National Science Foundation  
Economic Record  
Australian Economic Papers  
Journal of Macroeconomics  
International Economic Review  
China Economic Review  
World Bank Economic Review  
Economics of Planning  
Economic Systems  
Contemporary Economic Policy  
Journal of Economic Literature  
Agricultural Economics  
Journal of Economic Development and Cultural Change

Associate Editor of: Journal of Comparative Economics

Direct Country Work:

**IMF Missions to:**

Argentina: Responsibility: Country economist for Argentina. Participated in stand-by loan negotiations. Also wrote papers on price distortions in Argentina, published in Finance and Development, IMF Staff Papers, Research in Human Capital and Development, and Ensayos Economicos.

Zambia: Responsible for constructing a multi-lateral exchange rate model for copper-producing countries, later published in IMF Staff Papers.

Uruguay: Responsible for fiscal part of country reports. Also participant in stand-by negotiations.

Ethiopia: Responsible for fiscal part of country reports. Also carried out research project on construction of currency basket for planned economies, applied to Ethiopia, later published in Journal of Development Economics.

Bolivia: Responsible for real sector in annual report.

China: Responsible for fiscal part of country report. Also carried out research projects on estimating repressed inflation in China, as well as structure of savings behavior. First two papers were published in Journal of Money, Credit, and Banking, while a further paper was published in the Journal of Development Economics.

Sri Lanka: Responsible for IMF study on reform of the tax system, with particular emphasis on direct taxation of the agricultural sector. The project appeared as Selected Taxation Issues in Sri Lanka.

#### **World Bank Missions to:**

Sri Lanka: Responsible for fiscal analysis in annual report.

Pakistan: Responsible for the construction of general equilibrium simulation model as part of the Country Economic Memorandum.

#### **Consultancies:**

World Bank research project #674-08." An Analysis of the Macroeconomic Implications of Reductions in Government Spending: Methodology and Applications to Mexico and Sri Lanka," (1986-87). Responsible for project management and coordination, as well as initial project development. Also responsible for construction of model for analysis of reduction in the size of central government. The resulting paper (with Stephen Morris) was published in the Journal of Public Economics.

Centre for International Economics, Australian National University, project: "Global Agricultural Trade Study Project." Responsible for writing section of project on general equilibrium effects of US macro policies on agriculture. (1987). The resulting paper was published in the book, Global Study: Macroeconomic Consequences of Farm Support Policies, Andrew Stoekel and David Vincent eds. Duke University Press

World Bank research project, "International and Macroeconomic Policies in the Agricultural Development of Mexico," with Richard Just and Gerald O'Mara. Responsible for construction of macroeconomic structure of Mexico-US agricultural model. (1988)

World Bank Country Economic Report on China (1988). Responsible for writing section of the report on inflation in China. Project carried out while at Fudan University in Shanghai.

Resulting paper was published in Journal of Money Credit and Banking

World Bank Country Economic Report on Pakistan (1988). Responsible for construction of intertemporal general equilibrium model of Pakistan. Model was used for evaluation of the consistency of Pakistan five year plan.

Consultant to the Minister of Finance of Ecuador (1989). Position sponsored by UNDP assistance project for Latin America. Project constructed macroeconomic adjustment model for Ecuador.

Consultant to the World Bank on project, "Inflation, Price Controls and Fiscal Adjustment in Africa". Wrote survey paper on the use of price controls.(1989)

Consultant to the World Bank on project, "The Implications of Investment Tax Credits; An Application to Mexico and Pakistan." Resulting papers were published in Public Finance and Journal of Development Economics .

Consultant to the World Bank on project, "The Sectoral Implications of Macroeconomic Policy: The Case of Post-Reform China." Resulting paper was published in China Economic Review .

Consultant to the World Bank on project, "Macroeconomic Reform in India".

Consultant to the World Bank on project, "Price Indicators in Transition Economies," (1992). Wrote paper, "An Analysis of Repressed Inflation in Three Transition Economies", which was published in Economics of Planning.

Consultant to the World Bank on project, "The Role of Infrastructure in Mexican Economic Reform", Paper was published in World Bank Economic Review .

Consultant to the World Bank on project, "Fiscal Decentralization and Macroeconomic Instability," Resulting paper on China written with Shigeru Iwata was published in the Journal of Development Economics.

Consultant to the Fiscal Affairs Department of the International Monetary Fund on project on public infrastructure. The resulting paper, "An Analysis of the Optimal Provision of Public Infrastructure: A Computational Model Using Mexican Data," (with Jiming Ha), was published in the Journal of Development Economics.

Consultant to the Monetary and Exchange Affairs Department of the International Monetary Fund on project on credit contraction and bank soundness. The resulting paper, "Exogenous Shocks, Contagion, and Bank Soundness: A Macroeconomic Framework.", (with Mario Blejer and Ernesto Feldman), was published in the Journal of International Money and Finance.

Consultant to the Australian Chamber of Mines. Wrote paper, "An Analysis of the Implications

for the Gold Mining Industry of Alternative Tax Policies: A Regional Disaggregated Model for Australia," which was published in the Economic Record,

Project leader for the Asian Development Bank on project to construct an empirical general equilibrium model for Bangladesh . The aim of the project was to analyze policies to promote trade and tax liberalization, as well as bank reform and the macroeconomy. The resulting papers were published in the Journal of Asian Economics and the Journal of Public Economics. The resulting computer model is currently in use by the Ministry of Finance of Bangladesh.

Consultant to the World Bank for project on trade liberalization in Tanzania and Uganda. The project looks at alternative ways of restructuring the economies of the two countries, after abandoning the previous controls. The Tanzania paper (with Sudipta Sarangi) has been published in the Journal of Policy Modeling.

Consultant to the Asian Development Bank for project on trade liberalization and banking reform in Pakistan . The project examines the implications of interest rate liberalization on savings behavior. The resulting paper (with Shigeru Iwata) was published in the Journal of Asian Economics.

Consultant to the World Bank on project on fiscal sustainability and public infrastructure in Mexico . Two papers have resulted from this project, one on the efficiency enhancing effects of public infrastructure in Mexico, the other on infrastructure and the sustainability of the macroeconomy to shocks. The first paper has been published in the Journal of Development Economics.

Consultant to the Monetary Authority of Singapore (MAS) for project on the analysis of the welfare implications of the introduction of a free trade zone among the Asian Tigers. The paper has been issued as an MAS Staff Paper, and has been published in World Economy.

Consultant to the Ministry of Finance (MOF) of China for a 1 week seminar on reform of state owned enterprises. I delivered 4 lectures at MOF in Beijing based upon papers I have written on the topic.

Consultant to the Federal Board of Revenue (FBR), Pakistan on project on estimating tax gaps in Pakistan. The resulting paper is, "A Computational General Equilibrium Approach to Sectoral Analysis for Tax Potential: An Application to Pakistan."

### **Outreach**

I was the IMF representative to the African Economic Research Consortium (AERC) for the past 5 years. As such, I served on a panel that determined funding for African students who presented research proposals, generally based upon their Phd dissertations. I helped to organize an AERC conference that was partly funded by the NSF.

## **Teaching Experience**

<b>Undergraduate:</b>	Money and Banking Intermediate Micro-Economics Macro Principles Development
<b>Graduate:</b>	Applied General Equilibrium Public Finance Micro Theory (General Equilibrium) International Finance Development

## **Publications**

1. "A General-Equilibrium Model of a Traditional Soviet-Type Economy," Journal of Comparative Economics, June 1977, pp. 145-165.
2. "Relative Price Distortions and Inflation: The Case of Argentina, 1963-76" (With Ke-Young Chu), IMF Staff Papers, September 1978, pp. 452-493.
3. "Market Equilibrium in a Planned Economy of Soviet Type: A Proof of Existence and Results of Numerical Simulations," Review of Economic Studies, July 1979, pp. 631-652.
4. "The Recent Argentina Inflation: Its Causes and Consequences" (with Ke-Young Chu), Finance and Development, July 1979, pp. 32-35.
5. "A Multilateral Exchange Rate Model for Primary Producing Countries" (with Morris Goldstein and Susan Schadler), IMF Staff Papers, September 1979, pp. 543-582.
6. "Real Wages and Inflation: An Analysis of the Argentine Experience" (with Tomas Balino and Ke-Young Chu), Ensayos Economicos, June 1980, pp 5-43.
7. "A General Equilibrium Approach to the Analysis of Trade Restriction, with an Application to Argentina," IMF Staff Papers, December 1980, pp 749-784.
8. "The Welfare Implications of Relative Price Distortions and Inflation" (with Ke-Young Chu), in Research in Human Capital and Development, Vol. II, M.A. Khan and I. Siregaldin, eds., 1981, pp. 181-223.
9. "A General Equilibrium Approach to the Analysis of Monetary and Fiscal Policies IMF Staff Papers, December 1981, pp. 653-681.

10. "The Allocation of Badly Needed Goods to Low-Income Consumers: A System of Central Planning Without Redistributive Taxation," Journal of Comparative Economics, March 1983, pp. 52-70.
11. "A Computational General Equilibrium Approach to the Shadow Pricing of Trade Restrictions and the Adjustment of the Exchange Rate, with an Application to Argentina," Journal of Policy Modeling, November 1983, pp. 333-361.
12. "Money and Bonds in a Disaggregated Open Economy," in Applied General Equilibrium Analysis, H.E. Scarf and J.B. Shoven, eds. (Cambridge University Press, 1984), pp. 209-242.
13. "Stabilization of the Balance of Payments in a Small, Planned Economy, with an Application to Ethiopia," Journal of Development Economics, May-June 1985, pp. 171-191.
14. "Financial Crowding Out: Theory with an Application to Australia," IMF Staff Papers, March 1986, pp. 60-89.
15. "An Intertemporal General Equilibrium Analysis of Financial Crowding Out: A Policy Model and an Application to Australia," Journal of Public Economics, November 1986, pp. 79-104.
16. "Fiscal Policy, Monetary Targets, and the Price Level in a Centrally Planned Economy: An Application to the Case of China" (with Ziba Farhadian), Journal of Money, Credit, and Banking, May 1987, pp. 137-156.
17. "An Analysis of the Welfare Implications of Alternative Exchange Rate Regimes: An Intertemporal Model with an Application to Australia," (with David Lebow and Anne Sibert), Journal of Policy Modeling, Winter 1988, pp. 611-629.
18. "Agricultural Policies and the US Federal Budget and the Trade Deficit," (1989) in Global Study: Macroeconomic Consequences of Farm Support Policies, Andrew Stoekel and David Vincent eds. Duke University Press, pp. 200-221.
19. "Savings, Commodity Market Rationing and the Real Rate of Interest in China," (with David Lebow and Sweder van Wijnbergen), Journal of Money, Credit and Banking, May, 1990, pp. 234-252.
20. "Fiscal Stabilization and Exchange Rate Instability: A Theoretical Approach and Some Policy Conclusions using Mexican Data," (with Stephen Morris), Journal of Public Economics, August, 1990, 42, pp. 329-356.
21. "Measurement of Repressed Inflation in China: The Lack of Coordination between

- Monetary Policy and Price Controls," (with Jiming Ha), Journal of Development Economics, 1991, n. 36, pp. 279-294.
22. "Oil Prices and Rural Migration: The Dutch Disease Goes South", Journal of International Money and Finance, 1992, n. 11, pp. 273-291.
  23. "The Sectoral Implications of Macroeconomic Policy: The Case of Post-Reform China", (with Jiming Ha), Journal of Policy Modeling, 1993. 15(3), pp. 277-296.
  24. Review of Inflation: Are We Next? Hyperinflation and Solutions in Argentina, Brazil and Israel, Pamela S. Falk ed., for Journal of Comparative Economics, 1993, n. 17, pp. 167-69.
  25. "The Link Between Macroeconomic Adjustment and Sectoral Output in Post-Reform China", (with Jiming Ha), China Economic Review, 1993, v.3, n.2, pp. 109-124.
  26. "General Equilibrium Effects of Taxation on Investment in a Developing Country: The Case of Pakistan.", (with Anwar Shah), Public Finance, 1993, v. 48, n. 3, pp. 366-386.
  27. "Macroeconomic Implications of Investment Incentives in Mexico", (with Anwar Shah), in, Fiscal Incentives for Investment and Innovation, Oxford University Press, A. Shah, ed., 1995.
  28. "The Role of Interest Rates During the Transition to a Market Economy", Economics of Planning, 1994, v. 27, pp. 1- 19.
  29. "The Uncertainty of Economic Success When Economic Regimes are Uncertain: A Study of Transition Periods," Journal of Comparative Economics, 1994, 19, pp. 217-236.
  30. "General Equilibrium Effects of Investment Incentives in Mexico", (with Anwar Shah), Journal of Development Economics, 1995, 46, pp. 253-269.
  31. "The Role of Infrastructure in Mexican Economic Reform", (with Jiming Ha), World Bank Economic Review, 1995, 9, pp.287-304.
  32. Review of The Chilean Economy, Barry Bosworth, Rudiger Dornbusch, and Raul Laban eds., for Journal of Comparative Economics, 1996, 22, pp. 81-83.
  33. "An Analysis of Repressed Inflation in Two Transition Economies", Economics of Planning, 1996, 29, pp. 51-65.
  34. Review of Plowing Ground in Washington: The Political Economy of U.S. Agriculture, by B. Delworth Gardner, for Journal of Economic Literature, 1996, 34 (September), pp. 1398-1399.

35. "An Analysis of the Implications for the Gold Mining Industry of Alternative Tax Policies: A Regional Disaggregated Model for Australia," Economic Record, 1997, vol. 73, no. 223, Dec., pp. 305-314.  
Reprinted in: Gold and the Modern World Economy, Kenneth Clements and Robert Greig eds. (2003), Routledge.
36. "Fiscal Policy During the Transition to a Market Economy," Economic Systems, v. 21, no. 2, 1997, pp. 309-326.
37. "Basic Macroeconomic Options for Bangladesh: A Numerical Analysis ", Journal of Asian Economics, 1998, vol. 9, no. 2, pp. 281-305.
38. "An Analysis of the Optimal Provision of Public Infrastructure: A Computational Model Using Mexican Data," (with Jiming Ha), 1999, Journal of Development Economics, Vol. 58, pp. 219-230.
39. "Bank Failures and Fiscal Austerity: Policy Prescriptions for a Developing Country," (with Sheryl Ball), Journal of Public Economics, 2001, 82 (November), pp. 247-70.
40. "Exogenous Shocks, Contagion, and Bank Soundness: A Macroeconomic Framework.", (with Mario Blejer and Ernesto Feldman), Journal of International Money and Finance, 2002, 21, pp. 33-52.
41. "Macroeconomic Stabilization and Economic Growth: Analysis of Reform Policies in Tanzania," (with Sudipta Sarangi), Journal of Policy Modeling, 2002, 24, pp. 503-521.
42. "Why is it so Hard to Finance Budget Deficits? Problems of a Developing Country," (with Shigeru Iwata), Journal of Asian Economics, 2002, 13, pp. 531-544.
43. "'Big Bang' Versus Gradualism in Economic Reforms: An Intertemporal Analysis with an Application to China," (With Saleh Nsouli), IMF Staff Papers, 2003, 50, no.3, pp. 458-480.
44. "Decentralization and Macroeconomic Performance in China: Regional Autonomy has its Costs" (with Shigeru Iwata), Journal of Development Economics, 2005, 76, pp. 481-501.
45. "International Versus Domestic Auditing of Bank Solvency," (with Roger Lagunoff), Journal of International Economics., 2005 (September), 67, pp. 73– 96.
46. "The Underground Economy and its Macroeconomic Consequences", (with Era Dabla-Norris), Journal of Policy Reform, 2005, vol. 8, no. 2, pp. 153-174.

47. “Macroeconomic Stabilization and Economic Growth: The Case of Uganda”, (with Sudipta Sarangi), African Development Review, 2005, **17** (1), pp. 1-22.
48. “The Welfare Analysis of a Free Trade Zone: Intermediate Goods and the Asian Tigers”, (with Florenz Plassmann), World Economy, 2008, pp. 905-924.
49. “Can Good Events Lead to Bad Outcomes? Endogenous Banking Crises and Fiscal Policy Responses” (with Celine Rochon), Journal of Asian Economics, 2009, V. 20, no. 4, September, pp. 396-409.
50. “High Growth and Low Consumption in East Asia: How to Improve Welfare While Avoiding Financial Failures,” (with Celine Rochon and Maral Shamloo), Journal of Development Economics, 2010, 91, pp. 25-36.
51. “Tax Reform, the Informal Economy, and Bank Financing of Capital Formation”, (with Maral Shamloo), International Tax and Public Finance, 2013, Vol. 20, no. 1: pp. 1–28.
52. “A Computational General Equilibrium Approach to Sectoral Analysis for Tax Potential: An Application to Pakistan,” (with Musharraf Cyan), 2013. Forthcoming in Journal of Asian Economics.

#### Unpublished Papers

1. "Can Infrastructure Protect Against Shocks? An Analysis of the Situation of Mexico," (with Russell Murphy), 1999, World Bank discussion paper.
2. “What To Do When You Start From Scratch: An Analysis Of Growth Prospects For Egypt” (with Jeffrey Condon, Manal Metwaly, Hanan Nazier). November 2012. Work in progress.
3. “How Large do Multi-region Models Need to Be?” (with Florenz Plassmann, SUNY Binghamton), Andrew Young School of Policy Studies Research Paper Series, Working Paper 12-21, October 2012. Submitted to Regional Science and Urban Economics, 1/11/2012.

#### Other Work

Selected Taxation Issues in Sri Lanka (1985), (with Carlos Aguirre, Luc DeWulf, and Gordon Cox). IMF occasional paper series.