

LINDA L. TESAR

Department of Economics  
358 Lorch Hall  
University of Michigan  
Ann Arbor, MI 48109-1220

phone: (734) 763-2254  
dept.: (734) 764-2355  
fax: (734) 764-2769  
email: ltesar@umich.edu

CURRENT POSITIONS

Professor, University of Michigan

Research Associate, National Bureau of Economic Research, International Finance and Macroeconomics Program.

EDUCATION

Ph.D. (Economics) University of Rochester, 1990

M.A. (Economics) University of Rochester, 1988

B.S. (Economics) University of Minnesota, 1984, *summa cum laude*

B.A. (International Relations) University of Minnesota, 1984, *summa cum laude*

FIELDS OF SPECIALIZATION

International Finance, International Trade, Macroeconomics.

EMPLOYMENT

Professor of Economics, University of Michigan 2002 –

Chair, Department of Economics, University of Michigan, July 2007 – August 2011

Senior Economist, Council of Economic Advisers, Executive Office of the President, 2014-15

Associate Professor, University of Michigan, 1997-2002

Associate Professor, University of California, Santa Barbara, 1996-97

Assistant Professor, University of California, Santa Barbara, 1990-96.

VISITING APPOINTMENTS

Visiting Scholar, Paris School of Economics, August 2011-July 2012

Federal Reserve Board of Governors, Washington DC, Spring 1998.

International Monetary Fund, Summer and Fall 1992.

Institute for Empirical Macroeconomics, Federal Reserve Bank of Minneapolis, Spring 1992, Summer 1999.

Federal Reserve Bank of New York, Winter 1999.

#### GOVERNMENTAL ADVISORY ACTIVITIES

Federal Reserve Bank of Chicago, Academic Advisory Council, various years.

#### PUBLISHED ARTICLES

"Savings, Investment and International Capital Flows," Journal of International Economics 31, pp. 55-78, 1991.

"International Risk-sharing and Non-traded Goods," Journal of International Economics 35, pp. 69-89, 1993.

"Effective Tax Rates in Macroeconomics: Cross-Country Estimates of Tax Rates on Factor Incomes and Consumption," with Enrique G. Mendoza and Assaf Razin, Journal of Monetary Economics 34: 3, pp. 297-323, 1994.

"International Equity Transactions and U.S. Portfolio Choice," with Ingrid Werner, The Internationalization of Equity Markets, ed. by J. A. Frankel, Chicago: University of Chicago Press, 1994.

"U.S. Equity Investment in Emerging Stock Markets," with Ingrid Werner, World Bank Economic Review 9: 1, pp. 109-129, 1995.

"Tastes and Technology in a Two-Country Model of the Business Cycle: Explaining International Co-Movements" with Alan C. Stockman, American Economic Review 85: 1, pp. 168-185, 1995.

"Home Bias and High Turnover," with Ingrid M. Werner, Journal of International Money and Finance 14: 4, pp. 467-92, 1995.

"Evaluating the Gains from International Risksharing," Carnegie-Rochester Conference Series on Public Policy 42, pp. 95-143, 1995.

"U.S. Equity Investment in Foreign Markets: Portfolio Rebalancing or Return Chasing?" with Henning Bohn, American Economic Review: Papers and Proceedings pp. 77-81, 1996.

"U.S. Portfolio Investment in Asian Capital Markets," with Henning Bohn, Managing Capital Flows and Exchange Rates: Lessons from the Pacific Basin, ed. by Reuven Glick, Cambridge University Press, 1997.

"International Ramifications of Tax Reforms" with Enrique G. Mendoza, American Economic Review 88:1, pp. 226-245, 1998.

"The Internationalization of Securities Markets Since the 1987 Crash," with Ingrid Werner, Brookings-Wharton Papers on Financial Services, The Brookings Institution, 1998.

“The Role of Equity in International Capital Flow,” International Capital Flows, ed. by Martin Feldstein, University of Chicago Press, 1999.

“The Structure of International Capital Flows” with Leslie Hull, The World’s New Financial Landscape: Challenges for Economic Policy, ed. by H. Siebert, The Kiel Institute of International Economics, 2001.

“A Re-examination of Exchange Rate Exposure,” with Kathryn Dominguez, American Economic Review: Papers and Proceedings 91:2, pp. 396-99, 2001.

“Trade and Exposure,” with Kathryn Dominguez, American Economic Review: Papers and Proceedings 91:2, pp. 367-70, 2001.

“Multinationals and the Gains from International Diversification” with Patrick Rowland, Review of Economic Dynamics 7: 4, October 2004, Pages 789-826.

“Winners and Losers of Tax Competition in the European Union,” with Enrique G. Mendoza, in Macroeconomic Policies in the World Economy, ed. by H. Siebert, Kiel Institute of International Economics, 2004.

“Why Hasn’t Tax Competition Triggered a Race to the Bottom? Some Quantitative Lessons from the EU,” with Enrique G. Mendoza, Journal of Monetary Economics 52:1, 2005.

“Exchange Rate Exposure,” with Kathryn Dominguez, Journal of International Economics 68:1, pp. 188-218, 2005.

“Exchange rate exposure,” with Kathryn Dominguez, New Palgrave Dictionary in Economics, 2006.

“Cross-Border Trading as a Mechanism for Capital Flight: ADRs and the Argentine Crisis” with Sebastian Auguste, Kathryn Dominguez and Herman Kamil, Journal of Monetary Economics 53: 7, pp. 1259-1295, 2006.

“Production Sharing and Business Cycle Synchronization in the Accession Countries,” NBER International Seminar on Macroeconomics, ed. by L. Reichlin and K. West, National Bureau of Economic Research, 2006: 3.

“International Borrowing and Macroeconomic Performance in Argentina,” with Kathryn Dominguez, Capital Controls and Capital Flows in Emerging Economies: Policies, Practices and Consequences, ed. by Sebastian Edwards, University of Chicago Press for the NBER, pp. 297-342, 2007.

“International Trade, Production Sharing and the Transmission of Business Cycles,” with Ariel Burstein and Christopher Kurz, Journal of Monetary Economics 55: 4, pp. 775-795, 2008.

“Border Effect or Country Effect? Seattle is 110 Miles from Vancouver After All,” with Yuriy Gorodnichenko, American Economic Journal: Macroeconomics 1:1, pp. 219-41, 2009.

“The Returns to Developed-Market Acquirers in Emerging Markets,” with Anusha Chari and Paige Parker Shelby, Review of Financial Studies 23: 4, pp. 1741-1770, 2010.

“The Collapse of International Trade in 2008-9: In Search of the Missing Gun,” with Andrei Levchenko and Logan Lewis, IMF Economic Review 58:2, pp. 214-253, 2010.

“The ‘Collapse in Quality’ Hypothesis,” with Andrei Levchenko and Logan Lewis, American Economic Review: Papers and Proceedings, 101:3, pp. 293-297, 2011.

“The role of financial factors in the trade collapse: A skeptic's view,” with Andrei Levchenko and Logan Lewis, chapter 7 in Jean-Pierre Chauffour and Mariem Malouche (ed.s) Trade Finance during the Great Collapse, Washington, DC: The World Bank, pp. 133-47, 2011.

“The Great Depression in Finland: From Russia with Love” with Yuriy Gorodnichenko and Enrique G. Mendoza, American Economic Review 102:4, pp. 1619-44, 2012.

“The euro crisis,” with Kathryn Dominguez, The Economic Outlook for 2013, RSQE, The University of Michigan, pp. 144-58, 2013.

“The Impact of Foreign Liabilities on Small Firms: Firm-Level Evidence from the Korean Crisis,” with Yun Jung Kim and Jing Zhang, Journal of International Economics, 97 (2), pp. 209-230, 2015.

“The Greek Budget: No easy options,” with Christopher L. House, Brookings Papers on Economic Activity, Fall 2015.

“Fire-sale FDI or Business as Usual?” with Ron Alquist and Rahul Mukherjee, Journal of International Economics, 98, pp. 93-113, 2016.

#### PUBLISHED DISCUSSIONS AND OTHER CONTRIBUTIONS

Workbook in International Economics, with Carsten Kowalczyk, Scott Foresman/ Little Brown, 1989. Second edition, 1993.

Review of Saving and Investment in a Global Economy by Barry P. Bosworth, in the Journal of Economic Literature, pp. 221-3, 1995.

Review of Capital Mobility: The Impact on Consumption, Investment and Growth, ed. by Leonardo Leiderman and Assaf Razin, for the Journal of International Economics, 1995.

Review of Capital Flows and the Emerging Economies: Theory, Evidence, and Controversies, ed. by Sebastian Edwards, for the Journal of Economic Literature, 2001.

“Fire-sale FDI: All smoke and no fire?” with Ron Alquist and Rahul Mukherjee, VoxEU, March 2013.

“Long-Term Interest Rates: A survey,” with Maurice Obstfeld, Council of Economic Advisers white paper, July 2015.

## WORKING PAPERS

“Some Unpleasant Supply-Side Arithmetic of Fiscal Austerity,” with Enrique G. Mendoza and Jing Zhang, work in progress.

“Liquidity-Driven FDI,” with Ron Alquist and Rahul Mukherjee, March 2015.

“Austerity in Integrated Economies,” with Chris House and Christian Proebsting, May 2015.

## EDITORIAL BOARDS AND SERVICE

### **Editorial Boards:**

Advisory Board, *Carnegie-NYU-Rochester Conference on Public Policy*, 2012 -

Associate Editor, *European Economic Review*, 2012 – 2014, 2015 -

Member of Board of Editors, *IMF Economic Review*, 2010 – 2014, 2015 -

Co-Editor, *Journal of International Economics*, 2002 – 2005.

Member of Board of Editors, *Journal of Economic Integration*, 1997.

Associate Editor, *Journal of International Economics*, 1996-98

Co-Editor, *Review of World Economics*, 2015 -

### **Referee for:**

*American Economic Review, American Economic Journal: Economic Policy, American Economic Journal: Macroeconomics, Canadian Journal of Economics, Competition and Change, Econometrica, Economic Inquiry, Economic Journal, European Economic Review, European Journal of Political Economy, International Economic Review, IMF Economic Review, IMF Staff Papers, Journal of Comparative Economics, Journal of Economic Dynamics and Control, Journal of Economic Literature, Journal of Empirical Finance, Journal of Finance, Journal of Financial Economics, Journal of International Economics, Journal of International Money and Finance, Journal of Macroeconomics, Journal of Monetary Economics, Journal of Money, Credit and Banking, Journal of Political Economy, Journal of Public Economics, National Science Foundation, Quarterly Journal of Economics, Quarterly Review of Business and Economics, Resources and Energy Economics, Review of Economic Dynamics, Review of Economics and Statistics, Review of Economic Studies, Review of International Economics, Scandinavian Journal of Economics, World Bank Economic Review*

## UNIVERSITY AND DEPARTMENTAL SERVICE

Provost’s Faculty Advisory Committee, 2012-14

Provost’s Advisory Committee on Budgetary Affairs 2012-13

Director of Doctoral Program, 2004-2007, 2012-14, 2015 -

Director of MAE Program, 2012-14

Department Chair, 2007-2011

## PROFESSIONAL AFFILIATIONS

American Economic Association

Association of Faculty Women

Committee on the Status of Women in Economics

## INVITED LECTURES

Footnote Lecture, “Changes in the Composition of Global Financial Flows: What can we learn from micro evidence?” University of Alberta Business School, November 2005

Sichel Lecture Series, “The composition and allocation of global financial flows: What are markets doing?” Western Michigan University, April 2008

Keynote address, “Are all business cycles alike?”, for the Australian Conference of Economists, Sydney, September 2010.

Guest lecture, “The European Debt Crisis: Some lessons from emerging markets,” for the Economics Dinner Group, Ann Arbor, January 2013.

Guest lecture, “An economist goes to Washington,” for the Economics Dinner Group, Ann Arbor, September 2015.

## RECENT PRESENTATIONS

American Economics Associate Meetings, January 2009

NBER, March 2009

IMF Economic Review, Paris, January 2010.

Conference discussant, Paris, October 2011

Conference discussant, Paris, March 2012

Sciences Po, Paris, March 2012

University of Toulouse, April 2012

Graduate Institute, University of Geneva, May 2012

Bank of Portugal, May 2012

University of Vienna, Austria, June 2012

University of Aachen, Germany, June 2012

London Business School, June 2012

Conference presentation, Aix-en-Provence, June 2012

University of Southern California, September 2012

RSQE, The University of Michigan, November 2012

ECB, Frankfurt, December 2012

Discussant at NBER summer institute: IFM and Asset Pricing groups, July 2013

University of Bilkent, Turkey September 2013

Indiana University, October 2013

McGill University, November 2013

NBER/Federal Reserve Bank of Chicago, December 2013

ASSA Meetings, January 2014

Johns Hopkins University, SAIS, May 2015

The Brookings Institution, September 2015

Williams College, October 2015

## DOCTORAL STUDENTS (most recent placement)

Ron Alquist (Kings Peak Asset Management, New York), Vanessa Alvarez (UBC), Jose Berrospide (FRB), Cagatay Bircan (EBRD), Christos Cabolis (Univ of Athens), Chayawadee Chai-Anant (Bank of Thailand), Wenjie Chen (IMF), Brahim Coulibaly (FRB), Aaron Flaaen (FRB), Ibrahim Gunay, Leslie Hull (US Treasury), Peteris Jankovskis, Herman Kamil (IMF), Yun Jung Kim (Sogang University), Chris Kurz (FRB), Hangyu Lee, Logan Lewis (FRB), Yao Lu, Julien Martin (PSE), Anastasios Mastrogiannis, Erika Morris, Rahul Mukherjee (Graduate Institute Geneva), Nitya Pandalai-Nayar, Phacharaphot (Phot) Nuntramus, Jooyoun Park, Songook Park, Neviana Petkova (US Treasury), Rafael Portillo (IMF), Christian Proebsting, Patrick Rowland, Oleg Zamouline (NES Moscow), Qiaoqiao Zhu (Australian National University), Yingbin Xiao (IMF)