

# Diego Calderón

## CONTACT INFORMATION

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International Monetary Fund  
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## EMPLOYMENT

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**International Monetary Fund** 2023 - Present

- Economist (EP), Research Department: GPM team, Economic Modelling Division.  
Previously: Western Hemisphere Department (Dominican Republic and Guyana).

## PAST WORK EXPERIENCE

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**Bank of England** 2021

Ph.D. Internship, Prudential Policy Directorate (PPD)

**University of Warwick**

Research assistant to Professor Roger E. A. Farmer 2020  
Research assistant to Professor Marija Vukotic 2017

**National Institute of Economic and Social Research (NIESR)** 2019

Visitor, Research Division.

**The World Bank** 2013-2016

Consultant, Development Research Group, Poverty and Inequality Unit.

**Universidad Mayor**, Santiago, Chile 2015-2016

Research assistant to Andres Solimano.

## EDUCATION

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**University of Warwick**, Coventry, United Kingdom

- Ph.D. in Economics, 2023  
Advisors: Roger E. A. Farmer, Herakles Polemarchakis, and Pablo Beker.
- MRes. in Economics, 2018

**Universidad de Chile**, Santiago, Chile

- M.Sc. in Economic Analysis, 2014
- B.A. in Economics, 2013

## RESEARCH INTERESTS

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Macroeconomics, International Economics, Economic Theory.

## WORKING PAPERS

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### “Self-fulfilling Beliefs, Terms-of-trade Dynamics, and Economic Welfare” [\[Link\]](#)

**Abstract:** I study an open economy overlapping generations model in which large transitory shocks can generate permanent changes in economic welfare. When traded goods are poor substitutes, the model displays multiple equilibria: this creates the possibility of self-fulfilling fluctuations. This is important for researchers interested in international business cycles because the same transitory shock can have either transitory or permanent effects, depending on agents' beliefs. I solve this model using a non-trivial application of Negishi's method. This method allows me to describe equilibria using a low-order dynamical system that depends on the number of countries rather than the number of goods. In numerical simulations, I show that large and transitory endowment shocks can cause a shift from one equilibrium to another. Shifts of this kind are associated with large and persistent fluctuations in the terms of trade and the real exchange rate, as well as substantial and long-lasting welfare effects.

### “Keynesian Search during the U.S. Great Depression” (with Roger E. A. Farmer) [\[Link\]](#)

## WORK IN PROGRESS

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“ $r^*$  in Emerging Markets Across a Half Century of Volatility” (with Sandesh Dhungana and Daniel Wales). Featured in [October 2024 REO: WHD](#). Presented in APD Surveillance meeting and WHD (forthcoming).

## POLICY WORK

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Dominican Republic: 2024 Article IV Staff Report. IMF Country Report No. 24/294 International Monetary Fund. [\[Link\]](#)

- Annex VI: Explaining the Growth Slowdown and Recent Inflation Dynamics.
- Annex VIII: Closing Key Labor Market Gender Gaps in the Dominican Republic.
- Annex XI: Natural Real Interest Rates in the Dominican Republic.
- Annex XIII: Drivers of Potential Growth in the Dominican Republic.

## PUBLICATIONS

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“The Copper Sector, Fiscal Rules, and Stabilization Funds In Chile: Scope And Limits” (with Andrés Solimano) in *Extractive Industries*, edited by Tony Addison and Alan R. Roe. Oxford University Press, 2018. [\[Link\]](#)

## TEACHING EXPERIENCE

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### University of Warwick:

- Macroeconomics 2 (UG, 2018-2021). Professors Roberto Pancrazi and Federico Rossi.
- Topics in Global Finance (M.Sc., 2019, 2020, 2021). Professor Liliana Varela (2019) and Vasiliki Dimakopoulou and Fatih Kansoy.

### Universidad de Chile (UG):

- Development Economics (Fall, 2013, 2014). Professor Jorge Katz
- Development Economics (Spring, 2013). Professors Roberto Álvarez and Claudia Martínez
- Economic Policy (Spring, 2013). Professor Guillermo Larraín
- Economic Policy (Fall, 2012, 2013). Professor Joseph Ramos
- Welfare Economics (Fall, 2013). Professors Javier Núñez and Graciela Pérez

## **PRESENTATIONS**

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2025: SCE - CEF (Santiago); 2024: SAET (Santiago); 2023: IEA (Medellin), EEA-ESEM (Barcelona); 2017: IEA (Mexico City).

## **HONOURS AND AWARDS**

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Department of Economics Scholarship, University of Warwick.

Ph.D. Fellowship, National Commission of Scientific and Technological Research (ANID Chile), 2016-2020.

M.Sc. Fellowship, Department of Economics, Universidad de Chile, 2013.

Third Distinction, Final Comprehensive Examination (*Examen de Grado*), B.A. in Economics, Universidad de Chile.

## **SKILLS**

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Matlab, Dynare, Stata, L<sup>A</sup>T<sub>E</sub>X, R, Python.

## **LANGUAGES**

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English (Fluent), Spanish (Native).

## **PERSONAL INFORMATION**

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Citizenship: Chilean.

Date of Birth: November 27, 1989.