

University of Minnesota - Twin Cities

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**Curriculum Vitae
Fall 2026****Sauhard Srivastava****Personal Data***Address*

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Major Fields of Concentration

Macroeconomics, International Economics, Monetary Economics, Macro-Finance, Energy and Environmental Economics

Education

Degree	Field	Institution	Year
PhD	Economics	University of Minnesota (expected)	2027
MA	Economics	University of Minnesota	2024
MSc	Economics	The London School of Economics and Political Science	2019
BA (Hons.)	Economics	Shri Ram College of Commerce, University of New Delhi	2018

Dissertation

Title: “Essays in Open Economy Macroeconomics”

Dissertation Advisor(s): Professor Manuel Amador

Expected Completion: Summer 2027

References

Reference Name	Email / Contact Info	Address
Professor Manuel Amador	amador@umn.edu (612) 624-4060	Department of Economics, University of Minnesota, 4-101 Hanson Hall, Minneapolis, Minnesota 55455
Dr. Javier Bianchi	javier.i.bianchi@gmail.com Monetary Advisor	Federal Reserve Bank of Minneapolis, 90 Hennepin Avenue, Minneapolis, Minnesota 55401
Dr. Neil Mehrotra	neil.r.mehrotra@gmail.com Asst. Vice Pres. & Policy Advisor	Federal Reserve Bank of Minneapolis, 90 Hennepin Avenue, Minneapolis, Minnesota 55401

Honors and Awards

2022–2023 *Bert and Susan Hill Gross Fellowship*, Department of Economics, University of Minnesota, Minneapolis, Minnesota.

Research Experience

2023–Present *Research Analyst*, Federal Reserve Bank of Minneapolis, Minneapolis, Minnesota. Research Assistant to Neil Mehrotra in the Economic Analysis Group.

2020–2021 *Research Assistant*, Strategic Research Unit, Reserve Bank of India (RBI), Mumbai, India.

2019 *Research Intern*, Outreach and Planning Unit, United Nations Development Programme, New Delhi, India.

Teaching Experience

Summer 2023 *Instructor*, Department of Economics, University of Minnesota, Minneapolis, Minnesota. Course: Money and Banking. Average Instructor rating: 6/6.

2022–2023 *Teaching Assistant*, Department of Economics, University of Minnesota, Minneapolis, Minnesota. Course: Principles of Microeconomics. Average Instructor rating: 4.95/6.

2021–2022 *Teaching Assistant*, Department of Economics, University of Minnesota, Minneapolis, Minnesota. Grader for Courses: Public Economics, Cost-Benefit Analysis.

2018–2019 *Graduate Teaching Assistant*, Department of Economics, The London School of Economics and Political Science, London, U.K. Course: Economics A: Microeconomics (Instructors: Prof. Alan Manning, Prof. Rachel Ngai). Average Instructor rating: 4.05/5.

Publications

Srivastava, S. (2026). “Financial Frictions, FX Reserves, and Exchange Rate Management with Local-Currency Debt.” *Journal of International Economics*, 162, Article 104282.

Presented by me: Midwest Macroeconomics Meeting (May 2026), UMN-UW International Macro Student Workshop (September 2024), Minneapolis Fed EA Group Seminar (September 2024), UMN Sandor Poster Conference (April 2024).

Ghosh, S., Nath, S. and Srivastava, S. (2023). “Productivity and real exchange rates for India: does Balassa-Samuelson effect explain?” *Indian Growth and Development Review*, 16(1), 41-73.

Presented by co-author: RBI DEPR Research Colloquium (June 2021).

Nath, S. and Srivastava, S. (2022). “Labour Disputes and the Manufacturing Sector’s Growth: Recent Evidence from Indian States.” *Theoretical Economics Letters*, 12(3), 636-663.

Working Papers

Srivastava, S. (2026). “Import Price Shocks, FX-Monetary Policies, and Real Income Stabilization” (**Job Market Paper**)

Presented by me: HHEI Alumni Conference (July 2026), UMN-UW International Macro Student Workshop (April 2026), Minneapolis Fed EA Group Seminar (March 2026).

Mehrotra, N. and Srivastava, S. (2025). “The Transition to Net Zero in a Small Open Economy”

Presented by co-author: RIDGE International Macro (December 2025), BSE Summer Forum (June 2025).

Srivastava, S. (2025). “The Price of Quality: Demand-Driven Technology Choice and the Penn Effect”

Work in Progress

“Expectation-Driven Asset Booms and Consumption Inequality”

“Capacity Targets, Reliable Generation, and the Macroeconomics of India’s Power Transition”

Computer Skills

MATLAB, Julia, Python, Stata, EViews, LaTeX

Languages

English (fluent), Hindi (native)

Abstract(s)

Srivastava, S. “Import Price Shocks, FX-Monetary Policies, and Real Income Stabilization” (Job Market Paper)

We characterize jointly optimal exchange rate and monetary policies under commitment in a heterogeneous-agent, import-dependent small open economy facing essential import price spikes. When some households are borrowing constrained, exchange rate management becomes a tool for real income stabilization through the intertemporal margin, requiring temporary interest parity deviations, while optimal monetary policy targets the labor wedge. In an open economy, these roles are not substitutable. A Ramsey planner internalizes how pecuniary general equilibrium effects from real exchange rate movements redistribute real incomes: facing a spike, the planner leans against the depreciation, cutting exports and shifting resources toward constrained households through higher real wages. Calibrated to Japan’s 2022 energy price path, optimal policy departs from representative-agent prescriptions and uses FX interventions to cut the contemporaneous co-movement of the real exchange rate with world energy prices while accepting costly interest parity deviations. Monetary policy complements FX policy by taking a disinflationary stance.

Srivastava, S. “Financial Frictions, FX Reserves, and Exchange Rate Management with Local-Currency Debt” *Journal of International Economics*, Vol. 162, Article 104282, August 2026.

Emerging economy central banks often hold large FX reserves while residents carry substantial local-currency-linked external liabilities. With financial frictions creating interest parity gaps, such opposing positions imply a carry cost. In a small open economy with intermediation frictions and inherited local-currency debt, we study optimal reserve and exchange rate policies, explaining why debtor economies may retain reserves rather than netting out costly gross positions. While policy can eliminate costly intermediation by deploying reserves and appreciating the real exchange rate, doing so creates a general equilibrium revaluation effect which raises the real burden of local-currency obligations. Optimal policy retains reserves, accepting some intermediation to avoid a larger revaluation loss. This policy is time-inconsistent: a discretionary central bank prefers stronger ex-post appreciation; a time-consistent equilibrium features more reserve retention and larger interest parity gaps. Revaluation costs restrain reserve deployment; when large, optimal policy retains more reserves during disruptions than in normal times.

Mehrotra, N. and Srivastava, S. “The Transition to Net Zero in a Small Open Economy”

This paper examines the macroeconomic cost and implications of transitioning to net zero for a fossil-fuel-dependent, small open economy. A net zero target operates as an anticipated negative productivity shock that lowers consumption, raises the current account surplus along the transition path, and has ambiguous effects on the real exchange rate. A transition to net zero appreciates the currency by lowering the import bill for fossil fuels, but depreciates the currency by making domestic tradables more expensive. We calibrate the model to the case of Japan and find that the transition to net zero lowers consumption by 0.2-2%.

Srivastava, S. “The Price of Quality: Demand-Driven Technology Choice and the Penn Effect”

This paper proposes a demand-side explanation for the Penn effect: the observation that richer countries systematically exhibit higher price levels. We develop a general equilibrium model where income-dependent preferences lead more productive countries to produce and consume higher-quality, more resource-intensive non-tradeable goods. Our key result is that this endogenous shift toward producing superior goods, which have higher unit factor requirements, outweighs the standard cost-reducing effects of productivity growth, resulting in higher prices. The model shows that quality upgrading emerges as an equilibrium response to rising incomes and leads to higher non-tradeable prices in richer economies even in the absence of Harrod-Balassa-Samuelson (HBS) effects. Using Penn World Table data, the model replicates the empirical Penn effect, explaining about 69 percent of cross-country price variation without relying on HBS effects.