

IFEP Team

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Spring & Summer 2020

IFEP NEWSLETTER



IFEP Student's Experience w/ COVID-19

At first, it was easy for me to dwell on what was lost due to the COVID-19 pandemic. Adjusting mid-semester from in-person classes to online ones was a jarring transition, and like many others, I had my internship offer rescinded as the entire economy shuttered down. We even had to cheer for our friends who were graduating through a computer screen. That being said, I've come to appreciate the lengths that SIPA faculty and staff went to to salvage what was left of our Spring semester. After a few weeks, SIPA professors and their TAs found their groove and worked out the kinks of teaching online, and went above and beyond in making sure their students understood the material. Most even adapted their curriculums to the current situation, incorporating discussions on the coronavirus' impact on the international economy and financial markets. Though the semester was not easy to weather, it was a small comfort to know that everyone, more or less, was going through the same thing I was. I'm really trying not to lean too much on corporate platitudes like "we're all in this together," but the struggle we have shared as graduate students at SIPA, in some ways, really has brought our community a little closer together.

—Samuel Moser

Students

COVID-19 brought out the best and worst of New York, and my experience living here will be a time I will never forget. As a Columbia student, I quickly adjusted to the New York way of life – long days, even longer nights, and constantly moving from one thing to another, rarely having time to catch up on sleep, let alone time for myself to just sit and think. This all changed with COVID. The city that never sleeps was finally forced to take a break and so was I.

The transition from my typically social, incessantly busy lifestyle heavily reliant on human interaction to one of complete stillness in front of a computer screen was not easy. The isolation only became more frustrating as daily tasks such as grocery shopping and laundry became that much more elaborate, stressful, and physically and emotionally exhausting. Long lines, masks, and the general overwhelming stress of contracting or unintentionally spreading COVID made focusing on school and assignments seem like the most insignificant of priorities. I also started to miss aspects of my daily life that I never expected—my uphill commute to campus, sitting through four 2-hour lectures in one day, the sweaty armpit smell of Dodge, sardine packed subway cars, the list goes on...

As the pandemic worsened, daily life in New York became unrecognizable –but not all in a bad way. COVID tested the resilience and adaptability of New Yorkers and they did not disappoint. I got to know my neighbors and the people that lived on my street and a strange sense of community and solidarity began to blossom that didn't exist before. 7pm became my new favorite time of day as everyone emerged on their fire escapes, banging on pots and pans to cheer for the health workers, even exchanging pleasantries from across the street.

It is moments of gratitude and appreciation like these that truly illustrate what life in New York has been like during COVID. This pandemic has demonstrated the compassion, adaptability, and resilience humans are capable of and I am confident the New York that will emerge from this respite will be that much stronger because of it.

—Kristina Nedelkova

Economic Impact of COVID-19 Panel

On April 17th, 2019, IFEP hosted a panel on COVID-19 moderated by Professor Andrea Bubula, featuring IFEP Professors Takatoshi Ito, Richard Robb, Willem Buiter, Patricia Mosser, and Guillermo Calvo. Their discussion on the economic impacts of COVID-19 was extremely insightful. What was particularly notable was each professor's take on what recovery post-pandemic would look like, and to see the areas in which their opinions overlapped or diverged. Important points they raised were whether the economic impact and market slowdowns represented global recessions of the past, and some interesting comparisons were drawn to the 2008 financial crisis. All panelists agreed that recovery from this crisis will not be as bad as historical recessions, since it did not originate in the financial sector, and financial systems of today are more robust. It was extremely interesting to see themes we have covered in classes before, such as supply and demand, money market funds, tax and monetary policy, and helicopter money, discussed in the context of post-COVID economic recovery. There was also an emphasis on how global policy action to protect fragile economies that are more susceptible to global economic shocks is necessary for economic recovery, which was very fitting of the overall themes and representation of SIPA.

—Laila Fouad

SUDDEN STOP BLITZ: Examples

Talking: Guillermo Calvo

These are cases in which SS happen in a blink of an eye, and can paralyze the payments grid. Hard to anticipate by policymakers!

- Repo interest rate spike in September 2019. [See hyperlink.](#)
- High volatility of T-Notes during Flight to Quality ([see hyperlink](#)), which prompted sizable Fed Currency Swaps, etc.
- Liquidity crunch on mortgage originators while they wait for Freddie Mac *et al* guarantees. [See hyperlink.](#)
- Liquidity crunch on recently US unemployed who do not have health insurance coverage until their unemployment is certified. [See hyperlink.](#)
- **Long lines of retirees in Argentina are formed to get cash from banks because black market outlets do not accept credit/debit cards.** [See hyperlink.](#)

a slide from Guillermo Calvo

Meet Your Professor Speaker Series

with Professor Charles Calomiris

On the 9th of April, the IFEP concentration organized a lunchtime conversation with Professor Charles Calomiris from the Columbia Business School over Zoom. The topics ranged widely—from Professor Calomiris’ own academic journey and advice to prospective academics, to a lively discussion about the impacts of Coronavirus on world economics as well as politics.

Professor Calomiris and the attending students “zoomed” in virtually from a host of different places. Accordingly, both lecturer and students brought up thought-provoking ideas, concerns, and questions, inspired by their respective situations. Participants in Latin America pondered the economic impact of Coronavirus on emerging markets (“a huge appreciation of the dollar coinciding with a recession”), students from Asia asked about China’s likely response to the crisis (“it’s not going to be the rulebook of 1998 or 2003”), and Prof Calomiris suggested possible political implications both in the US and internationally (“there is nobody out there like the US doing a Marshall Plan”). The conversation made for a stimulating, sometimes worrisome exploration of the current upheaval felt everywhere.

Despite the distance and some shaky video streams from the other end of the world, the event was a fascinating get-together in a time where a pandemic has dislocated learning, while also confronting every citizen, as well as policymaking, with difficult choices and questions.

—Johannes Magnus Hallermeier

IFEP Happy Hours at Amity Hall (Pre-Covid-19)

“Do you want a Corona?” A bartender asked.

“Yes.” I answered firmly. That was a time when more people related Corona to the beer brand instead of the virus.

With the beer in hand, I started to talk with familiar and unfamiliar faces at the IFEP Back-to-School Happy Hour at Amity Hall. I was happy to catch up with old friends about their holidays and crazy journeys around the world during the winter vacation. I was excited to make new friends and found out that more than one person could speak five languages fluently in the IFEP community! Talking with professors, I was amazed to hear how visionary they were in designing courses for future policy makers. I truly understood why everyone said that you learned the most at SIPA by chatting with IFEP faculty and fellow students. Thinking back on the good time I had at this event while quarantining in my room, I am certain that the Coronavirus definitely makes me miss my Corona beer and the good time spent with my IFEP friends more than ever. I can’t wait to be back on campus and attend my next IFEP Happy Hour!

—Danlan Zhu

Professor Sandra E. Black in Conversation w/ IFEP

Professor Sandra E. Black
in Conversation
w/ IFEP

Wednesday July 8th at 11 AM

Please Register for Link & Password



Professor Black spoke to about thirty IFEP students about her career path, research, and experience serving on President Obama's Council of Economic Advisers from 2015 to 2017. She described how as a student she liked math, and so decided to pursue a career in economics. After obtaining her PhD, she wasn't sure if she wanted to do research or become a practitioner, so she took a job at the New York Fed which gave her the freedom to do both. The main focus of her presentation was a paper she co-authored, which evaluated intergenerational economic mobility—that is, why children of wealthy parents tend to be wealthy and why children of poor parents tend to be poor. By comparing adopted children to biological children, she found that there was a very strong correlation in wealth between parents and adopted children, suggesting that wealth begets wealth, and that wealthier children were not more talented or able. Professor Black also shared pictures and interesting stories of her time serving on the Council of Economic Advisers, a highlight being the fist bump that President Obama gave her because of a particularly good jobs report.

— Souvik Chatterjee

Corporate Finance

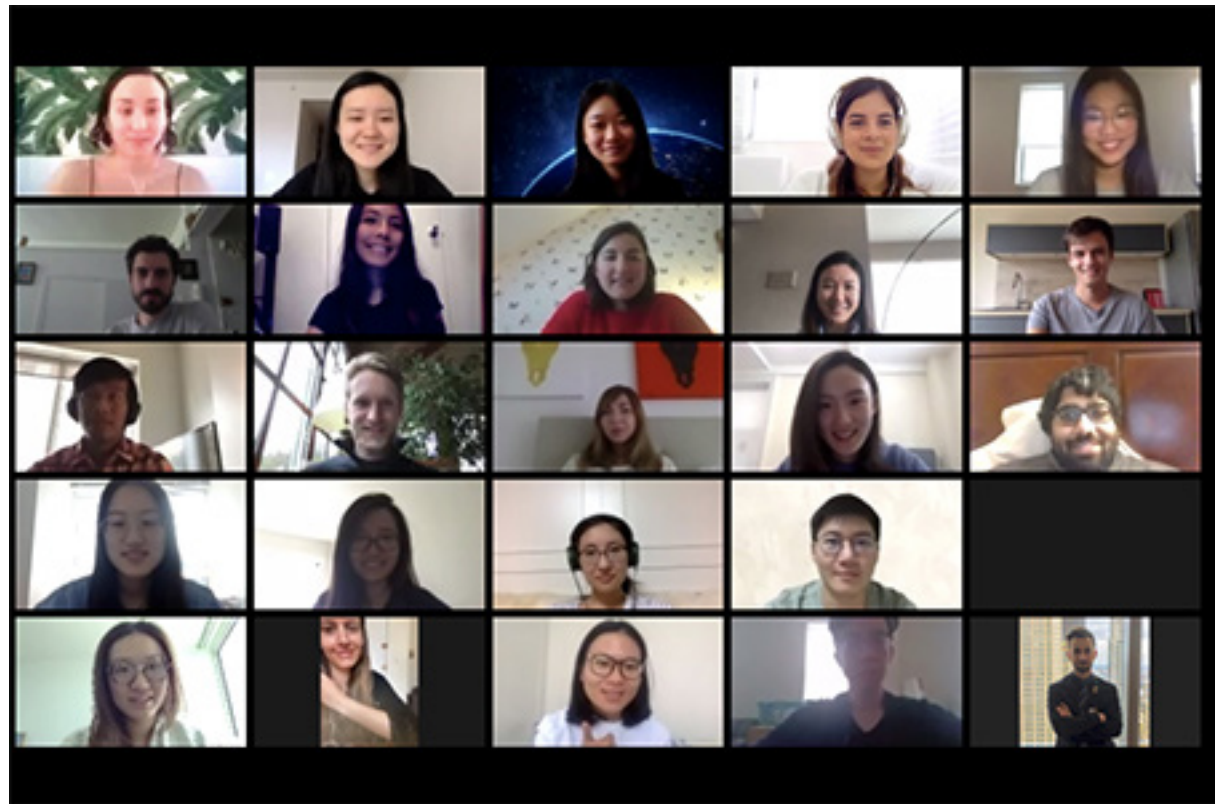
with Professor Deborah McLean

I took Corporate Finance with Professor Deborah McLean this Spring knowing that this semester would be challenging for me since I had zero finance knowledge. Little did I know back then that the semester would be challenging in a much different way. Despite the challenges of COVID-19, Professor McLean and my classmates preserved an optimistic and positive attitude during our online classes. Our TA team did a fantastic job by conducting recitations and office hours and even providing additional appointments online. Also a personal shout-out to my case team members who accommodated my time difference, you guys are the best!

—Aigerim Nurmakhanov

- Congratulations!

Congratulations to the
Class of 2020!



Pictured is IFEP celebrating the class of 2020 on Zoom! We were sad not to celebrate in-person, but we did the best we could with what we had, and are so proud of our graduates!