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January 2001

Economic Research Division
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Central Bank of Chile
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Date of Birth: February 26, 1955
Citizenship: Chile

Married, 3 Children

EDUCATION

Massachusetts Institute of Technology, **Ph.D.**, December 1986. Doctoral Dissertation: "Foreign Shocks and Adjustment in Small Open Economies"

Catholic University of Chile, **M.A. (Economics)**, summa cum laude, 1978

Catholic University of Chile, **Ingeniero Comercial (Economics)**, summa cum laude, 1978

Catholic University of Chile, **B.A. (Economics)**, 1976

PROFESSIONAL POSITIONS

Division Chief, Economic Research, Central Bank of Chile, Santiago, Chile 1996 -

Principal Economist, Senior Economist, and Economist, The World Bank, Washington, D.C., USA, 1988 - 1996

Assistant Professor, Georgetown University/Ilades, Graduate Program in Economics, Santiago, Chile, 1987-1988

Assistant Professor, University of Santiago, Chile, 1985-1987

Director for Economic Research and Economist, BHC Enterprises, Santiago, Chile, 1978-1981

OTHER TEACHING

Professor, Catholic University of Chile, Santiago, Chile, 1997 -

Professor, University of Chile, Santiago, Chile, 1998 -

Adjunct Professor, Georgetown University, Washington, DC, USA, 1989

Instructor, Massachusetts Institute of Technology, Cambridge, Mass., USA, 1985

Assistant Professor, Catholic University of Chile, Santiago, Chile, 1976-78

**FELLOWSHIPS
AND GRANTS**

Chilean National Science Foundation (Fondecyt) Grants (1986, 1987)

Inter-American Foundation Doctoral Fellowship (1985-1987)

M.I.T. - Ford Foundation Fellowship (1983-1985)

Catholic University of Chile Graduate Studies Fellowship (1976-1978)

**OTHER
PROFESSIONAL
ACTIVITIES**

Member, Latin American Standing Committee of the Econometric Society, 1997 -

Member (1997-1999) and Chairman (1999-), National Evaluation Committee of Research Projects in Economics, Finance, and Management, Chilean National Science Fund (Fondecyt).

Member (1996-98, 2000-) and Chairman (1998-99), Governing Board, Research Network of Central banks of the Americas.

Journal Editor, *Economía Chilena*, 1998 - ; *Revista de Análisis Económico*, 1988 – 2000.

Referee. For articles submitted to the following journals: *American Economic Review*; *Journal of International Money and Finance*; *Journal of Money, Credit and Banking*; *Journal of International Economics*; *Journal of Development Economics*; *Journal of Public Economics*; *Journal of Policy Reform*; *Journal of African Economies*; *Oxford Economic Papers*; *World Bank Economic Review*; *World Bank Research Observer*; *World Development*; *Journal of Applied Economics*; *Cuadernos de Economía*; *Estudios de Economía*.

For research projects submitted to: the World Bank Research Committee, the African Economic Research Consortium, and the Chilean National Science Fund (Fondecyt).

Resource Person (Project Evaluator) for the African Economic Research Consortium, 1994 – 1998.

Diplomvolkswirt (Economist Degree), Germany (1982).

**PROFESS. FIELD
EXPERIENCE AND
GOVERNMENT
ADVICE**

Turkey (2000), Argentina (2000), The Philippines (1999), Germany (1999), Macedonia (1999 twice), Brazil (2000, 1999, 1992), Malaysia (1999, 1998), Czech Republic (1998), Mexico (1998, 1997, 1994), Colombia (1999, 1995, 1994), Egypt (1994, 1993, 1992, 1991), Latvia (1993 twice), China (1992), Morocco (1991, 1990, 1989), Zimbabwe (1989), Costa Rica (1988), Jamaica (1986, 1983).

**MAIN AREAS OF
RESEARCH AND
PROF. EXPERTISE**

Macroeconomics (Saving, Growth, Fiscal Policy), Social Security (Pension Systems and Reforms), Monetary Economics (Inflation, Monetary Policy), International Finance (Open Economy Macro, Capital Flows), Development Economics (Structural Reform, Stabilization Programs), Cultural Economics (Heritage Conservation).

LANGUAGES

Spanish, English, German, Portuguese, French.

PUBLICATIONS*Books*

K. Schmidt-Hebbel and L. Servén (editors): **The Economics of Saving and Growth: Theory, Evidence, and Implications for Policy**. Cambridge University Press, 1999.

K. Schmidt-Hebbel: **La Reforma Pensional Colombiana: Efectos Fiscales y Macroeconómicos**. Bolsa de Bogotá - Asofondos, Colombia, 1995.

W.E. Easterly, K. Schmidt-Hebbel, and C.A. Rodriguez (editors): **Public Sector Deficits and Macroeconomic Performance**. Oxford University Press and The World Bank, 1994.

K. Schmidt-Hebbel and F. Morandé (editors): **Del Auge a la Crisis de 1982**. ILADES/Georgetown, Santiago, 1988.

Journal Articles

N. Loayza, K. Schmidt-Hebbel, and L. Servén: "Saving in Developing Countries: Overview", **World Bank Economic Review**, September 2000.

N. Loayza, K. Schmidt-Hebbel, and L. Servén: "What drives Saving across the World?", **The Review of Economics and Statistics**, LXXXII (2): 165-181, May 2000.

H. López, K. Schmidt-Hebbel, and L. Servén: "How effective is Fiscal Policy in raising National Saving?", **The Review of Economics and Statistics**, LXXXII (2): 226-238, May 2000.

K. Schmidt-Hebbel and Luis Servén: "Does Income Inequality raise Aggregate Saving?", **Journal of Development Economics**, 61: 417-46, April 2000.

F. Morandé and K. Schmidt-Hebbel: "Chile's Peso: Better than (just) Living with the Dollar?", **Cuadernos de Economía**, 110: 117-226, April 2000.

F. Morandé and K. Schmidt-Hebbel: "Esquemas Monetarios Alternativos: Una Evaluación Favorable al Peso Chileno", **Economía Chilena**, 3 (1): 57-84, 2000.

C. Burnside, K. Schmidt-Hebbel, and L. Servén: "Saving in Mexico: The National and International Experience", **Economía Mexicana**, VIII (2): 181-230, 1999.

M. Krebs and K. Schmidt-Hebbel: "Patrimonio Cultural: Aspectos Económicos y Políticas de Protección", **Perspectivas en Política, Economía y Gestión**, 2 (2): 207-45, 1999.

I. Elbadawi and K. Schmidt-Hebbel: "Cross-Regional Development Experiences and Lessons for Sub-Saharan Africa: An Overview", **Journal of African Economies**, 7 (Supp. 2): 1-37, 1998.

I. Elbadawi and K. Schmidt-Hebbel: "Macroeconomic Policies, Instability and Growth in the World", **Journal of African Economies**, 7 (Supp. 2): 116-68, 1998.

K. Schmidt-Hebbel and L. Servén: "World Saving: Trends and Theories", **Estudios de Economía** 25 (2): 191-215, 1998.

K. Schmidt-Hebbel: "Fiscal and Macroeconomic Effects of Colombia's Pension Reform", **Revista de Análisis Económico**, 12 (2): 37-69, 1997.

- K. Schmidt-Hebbel : "Fiscal Adjustment and Growth: In and Out of Africa", **Journal of African Economies**, 5 (3, Suppl.): 7-59, 1996.
- K. Schmidt-Hebbel, L. Servén, and A. Solimano: "Saving and Investment: Paradigms, Puzzles, Policies", **World Bank Research Observer**, 11 (1): 87-117, February 1996.
- W. Easterly, P. Mauro, and K. Schmidt-Hebbel: "Money Demand and Seignorage-Maximizing Inflation", **Journal of Money, Credit and Banking**, 27(2): 583-603, May 1995.
- P. Arrau and K. Schmidt-Hebbel: "Pension Reforms in Developing Countries: Country Experiences and Research Issues", **Revista de Análisis Económico**, 9 (1): 3-20, June 1994.
- P. McNelis and K. Schmidt-Hebbel, "Financial Liberalization and Adjustment: The Cases of Chile and New Zealand", **Journal of International Money and Finance**, 12: 249-77, July 1993.
- W.E. Easterly and K. Schmidt-Hebbel: "Fiscal Deficits and Macroeconomic Performance in Developing Countries", **World Bank Research Observer**, 8 (2): 211-37, July 1993.
- K. Schmidt-Hebbel, S. Webb, and G. Corsetti: "Household Saving in Developing Countries", **World Bank Economic Review**, 6 (3): 529-547, September 1992.
- V. Corbo and K. Schmidt-Hebbel: "Las Políticas Públicas y el Ahorro en los Países en Desarrollo", **El Trimestre Económico**, LVIII, Special Issue, December 1991.
- V. Corbo and K. Schmidt-Hebbel: "Public Policies and Saving in Developing Countries", **Journal of Development Economics**, 36: 89-115, July 1991.
- K. Schmidt-Hebbel and F. Morandé: "Sovereign Debt Conversion in a Dynamic Portfolio Framework", **Análisis Económico**, 4:1 (51-69), 1989.
- K. Schmidt-Hebbel: "El Impacto de Escenarios Externos Alternativos sobre la Economía Chilena en 1988-1989", **Colección Estudios CIEPLAN**, 24 (113-143), 1988.
- K. Schmidt-Hebbel and Y. Ivulic: "Calibración de un Modelo de Equilibrio General Computable para la Economía Chilena y Estructura de Simulaciones", **Estudios de Economía**, 15:2 (339-386), 1988.
- K. Schmidt-Hebbel: "Aspectos Económicos de la Protección del Patrimonio Arqueológico", **Contribuciones Científicas y Tecnológicas**, 79 (39-49), 1987.
- K. Schmidt-Hebbel: "Terms of Trade and the Current Account under Uncertainty", **Análisis Económico**, 2:1 (67-89), 1987.
- K. Schmidt-Hebbel: "Producto y Precios en una Economía Pequeña y Abierta", **Cuadernos de Economía**, 46 (407-430), 1978.

Book Chapters

- G. McMahon and K. Schmidt-Hebbel: "Macroeconomic Adjustment and Tax Reform in Developing Countries", in G. Perry, J. Whalley, and G. McMahon (editors): **Fiscal Reform and Structural Change in Developing Countries (vol. 2)**, MacMillan and IDRC, 2000.

F. Morandé and K. Schmidt-Hebbel: "Monetary Policy and Inflation Targeting in Chile", in M. I. Blejer, A. Ize, A. M. Leone, and S. Werlang (editors): **Inflation Targeting in Practice: Strategic and Operational Issues and Application to Emerging Market Economies**, International Monetary Fund, Washington, DC, 2000.

O. Landerretche, F. Morandé, and K. Schmidt-Hebbel: "Inflation Targets and Stabilisation in Chile", in L. Mahadeva and G. Sterne (editors): **Monetary Policy Frameworks in a Global Context**, Routledge, London, 2000.

K. Schmidt-Hebbel: "La Contribución de la Reforma de Pensiones al Desarrollo Económico", CIEDESS (ed.): **AFP 18 Años: Logros y Desafíos**, Asociación de Administradoras de Fondos de Pensiones, Santiago, 2000.

K. Schmidt-Hebbel: "Chile: Die Revolution des Alterssicherungssystems trägt Früchte" (English version: "Chile's Pension Revolution Coming of Age"), in Deutsches Institut für Altersvorsorge (editor): **Gesetzliche Alterssicherung, Reform Erfahrungen im Ausland: Ein systematischer Vergleich aus sechs Ländern (Reforming the Pension System: What Germany can learn from Other Countries)**, Deutsches Institut für Altersvorsorge, Cologne, 1999.

K. Schmidt-Hebbel: "Chile's Takeoff: Facts, Challenges, Lessons", in Danny Leipziger and Guillermo Perry (eds.): **Chile: Recent Policy Lessons and Emerging Challenges**, WBI Development Studies, The World Bank, Washington, DC, 1999.

K. Schmidt-Hebbel and L. Servén: "Introduction", in K. Schmidt-Hebbel and L. Servén (eds.): **The Economics of Saving and Growth: Theory, Evidence, and Implications for Policy**, Cambridge University Press, 1999.

K. Schmidt-Hebbel and L. Servén: "Saving in the World: The Stylized Facts", in K. Schmidt-Hebbel and L. Servén (eds.): **The Economics of Saving and Growth: Theory, Evidence, and Implications for Policy**, Cambridge University Press, 1999.

K. Schmidt-Hebbel and L. Servén: "Aggregate Saving and Income Distribution", in K. Schmidt-Hebbel and L. Servén (eds.): **The Economics of Saving and Growth: Theory, Evidence, and Implications for Policy**, Cambridge University Press, 1999.

K. Schmidt-Hebbel and L. Servén: "Income Inequality and Aggregate Saving: The Cross-Country Evidence", in A. Solimano (ed.) **Social Inequality: Values, Growth, and the State**, Michigan University Press, 1998.

G. Corsetti and K. Schmidt-Hebbel: "Pension Reform and Growth", in S. Valdés-Prieto (ed.): **The Economics of Pensions: Principles, Policies, and International Experience**, Cambridge University Press, 1997.

K. Schmidt-Hebbel, L. Servén, and A. Solimano: "Saving, Investment, and Growth in Developing Countries: An Overview", in A. Solimano (ed.) **Road-Maps to Prosperity: Essays on Growth and Development**, Michigan University Press, 1996.

K. Schmidt-Hebbel and L. Servén: "Fiscal Adjustment and the Real Exchange Rate under Rational Expectations in Chile", (in Spanish: "Ajuste Fiscal y Tipo de Cambio Real bajo Expectativas Racionales en Chile"), in F. Morandé and R. Vergara (eds.): **Análisis Empírico del Tipo de Cambio en Chile**, Centro de Estudios Públicos and Programa de Postgrado en Economía ILADES/Georgetown University, Santiago, Chile, 1996.

K. Schmidt-Hebbel and L. Servén: "Towards Lower Inflation in Chile: Monetary Contraction under Rational Expectations", (in Spanish: "Hacia una Menor Inflación en Chile: Contracción Monetaria bajo Expectativas Racionales"), in F. Morandé and F. Rosende (eds.): **Análisis Empírico de la Inflación en Chile**, Universidad Católica de Chile e ILADES/Georgetown University, 1995.

K. Schmidt-Hebbel and L. Servén: "Dynamic Response to External Shocks in Classical and Keynesian Economies", in D. Currie and D. Vines (eds.): **North-South Linkages and International Macroeconomic Policy**, Cambridge University Press, 1995.

I. Elbadawi and K. Schmidt-Hebbel: "Macroeconomic Structure and Policy in Zimbabwe: An Analysis with an Empirical Macroeconomic Model, 1985-1988", chapter 1, in A. Atsain, S. Wangwe, and A. Gordon Drabek (eds.): **Economic Policy Experience in Africa: What Have We Learned?**, African Economic Research Consortium, Nairobi, Kenya, 1994.

K. Schmidt-Hebbel : "Déficits Públicos y Ajuste Macroeconómico en Países en Desarrollo", in J.R. Brenes and J.R. Vargas (eds.): **Aspectos Macroeconómicos de la Reforma del Estado**, Ministerio de Hacienda, San José, Costa Rica, 1994.

W. Easterly, C. Rodriguez, and K. Schmidt-Hebbel: "Summary", in Easterly, Rodriguez, and Schmidt-Hebbel, **op. cit.**, 1994.

W. Easterly and K. Schmidt-Hebbel: "The Macroeconomics of Public Sector Deficits: A Synthesis", in Easterly, Rodriguez, and Schmidt-Hebbel, **op. cit.**, 1994.

J. Marshall and K. Schmidt-Hebbel: "Fiscal Adjustment and Successful Performance in Chile", in Easterly, Rodriguez, and Schmidt-Hebbel, **op. cit.**, 1994.

F. Morandé and K. Schmidt-Hebbel: "Fiscal Disequilibria and Low Growth in Zimbabwe", in Easterly, Rodriguez, and Schmidt-Hebbel, **op. cit.**, 1994.

K. Schmidt-Hebbel: "Development and Application of Macroeconomic Models at the World Bank", in J.G. Bennett and M. Giegerich (editors): **Informationssysteme der volkswirtschaftlichen Regierungsberatung in Entwicklungslaendern**, Nomos, Baden-Baden, 1993.

K. Schmidt-Hebbel and S. Webb: "Public Policy and Private Saving", in V. Corbo, S. Fischer and S. Webb (eds.): **Adjustment Lending Revisited: Policies to Restore Growth**, The World Bank, February 1992.

K. Schmidt-Hebbel and T. Müller: "Private Investment under Macroeconomic Adjustment in Morocco", chapter 6, in A. Chhibber, M. Dailami, and N. Shafik (eds.): **Reviving Private Investment in Developing Countries: Empirical Studies and Policy Lessons**, North-Holland, 1992.

K. Schmidt-Hebbel: "Endeudamiento Externo, Tasas de Interés y Tipo de Cambio Real: Un Marco de Análisis para Chile y Venezuela", in F.G. Morandé (ed.): **Movimiento de Capitales y Crisis Financiera: Los Casos de Chile y Venezuela**, ILADES/IIMC, Santiago, Chile, 1991.

P. McNelis and K. Schmidt-Hebbel: "Tipo de Cambio Real, Saldo Comercial y Ajuste Monetario en Chile (1975-1982)", in F.G. Morandé (ed.): **op. cit.**, 1991.

K. Schmidt-Hebbel: "Consumo e Inversión en Chile: Una Interpretación Real del Boom", in F.G. Morandé and K. Schmidt-Hebbel (Eds.): **op. cit.**, 1988.

E. García and K. Schmidt-Hebbel: "El Papel de las Variables Demográficas en la Planificación del Desarrollo en América Latina y el Caribe", in CELADE: **Población y Planificación: Seminario sobre Métodos y Modelos para Microcomputadores**, Serie E, No. 32, CELADE, August 1988.

Klaus Schmidt-Hebbel: "Impactos Externos, Devaluaciones y Precios de Materias Primas", in N. Eyzaguirre and M. Valdivia (eds.): **Políticas Macroeconómicas y Brecha Externa: América Latina en los Años Ochenta**", ECLAC, Santiago, 1989.

Book Reviews

K. Schmidt-Hebbel: Review of "The Economics of Adjustment and Growth", by Pierre-Richard Agénor, in **Revista de Economía Chilena**, 3 (1): 73-5, Aug. 2000.

K. Schmidt-Hebbel: Review of "The Chilean Economy: Policy Lessons and Challenges", edited by Barry B. Bosworth, Rudiger Dornbusch, and Raúl Labán, in **Finance and Development** 31 (4): 51-2, Dec. 1994.

Published Series

K. Schmidt-Hebbel and L. Servén: "Saving across the World: Puzzles and Policies", **World Bank Discussion Papers** 354, The World Bank, Washington, DC, January 1997.

K. Schmidt-Hebbel: "Colombia's Pension Reform: Fiscal and Macroeconomic Implications", **World Bank Discussion Papers** 314, The World Bank, Washington, DC, November 1995.

K. Schmidt-Hebbel: "Fiscal Adjustment and Growth: In and Out of Africa", **Special Paper Series** No. 19, African Economic Research Consortium, Nairobi (Kenya), April 1995.

W. Easterly and K. Schmidt-Hebbel: "Fiscal Adjustment and Macroeconomic Performance", **Policy and Research Department Outreach Note** #14, The World Bank, May 1993.

K. Schmidt-Hebbel and S. Webb: "Policy and Saving", in "Adjustment Lending Policies for Sustainable Growth", **Policy and Research Series** 14, Country Economics Department, The World Bank, September 1990.

J. Marshall and K. Schmidt-Hebbel: "La Política Fiscal en América Latina: Tópicos de Investigación", **Serie Política Fiscal** No. 3, ECLAC, Santiago, 1989.

J. Marshall and K. Schmidt-Hebbel: "América Latina: La Política Fiscal en los Años Ochenta", **Serie Política Fiscal** No. 2, ECLAC, Santiago, 1989.

J. Marshall and K. Schmidt-Hebbel: "Un Marco Analítico-Contable para la Evaluación de la Política Fiscal en América Latina", **Serie Política Fiscal** No. 1, ECLAC, Santiago, 1989.

Working Papers and Unpublished Work

Available on request

PAPERS PRESENTED AT CONFERENCES AND SEMINARS

Available on request