CALVIN HE

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Education

2021-27	PhD in Economics, Stanford University
	Fields: Macroeconomics and Finance
	Committee: Adrien Auclert, Adrien Bilal, Luigi Bocola
2012-16	Bachelor of Economics (Hons)/Bachelor of Commerce, University of New South Wales
	University Medal and First Class Honours
2014	International Exchange, University of California, Los Angeles

Research Fields

Macroeconomics and Finance

References

Adrien Auclert (chair)
Department of Economics, Stanford University
aauclert@stanford.edu

Luigi Bocola
Department of Economics, Stanford University
lbocola@stanford.edu

Adrien Bilal
Department of Economics, Stanford University
adrienbilal@stanford.edu

Research and Professional Experience

2022-26	Research Assistant for Adrien Auclert
2024-25	Research Assistant for Elena Pastorino
2018-21	Research Economist, Reserve Bank of Australia
2017-18	Fixed Income Analyst, Reserve Bank of Australia

Teaching Experience

2024-26	Teaching Assistant, PhD Macroeconomics II (Econ 211), Stanford
2025	Teaching Assistant, International Finance (Econ 165), Stanford
2024	Teaching Assistant, Introduction to Financial Decision Making (Econ 43), Stanford
2023	Teaching Assistant, Introduction to Statistical Methods (Econ 102A), Stanford
2016	Tutor-in-charge, Microeconomics I (Econ 1101), UNSW
2015-16, 2019	Teaching Assistant (Tutor), Microeconomics I (Econ 1101), UNSW

Working Papers

Monetary Policy, Capital Reallocation and Financial Frictions ***(Job Market Paper)***
I study how monetary policy reallocates capital across firms and its implications for optimal policy design. I document two empirical responses to monetary policy tightenings. First, TFP falls and capital misallocation (dispersion in capital returns) increases. Second, capital is reallocated away from firms with high capital returns and toward firms with low capital returns, placing downward pressure on TFP. I rationalize these moments using a heterogeneous-firm New Keynesian model with interest-coverage constraints. Following a tightening, constrained, high-return firms see their interest-coverage ratios deteriorate and are forced to cut capital relatively sharply. This ***capital reallocation channel*** *drives an endogenous fall in TFP — accounting for 20% of the aggregate output response to monetary policy. Optimal policy internalizes this channel. Contrary to standard prescriptions, optimal policy lowers the real rate when facing an inflationary cost-push shock. This alleviates the inflationary pressure by reallocating capital toward high-return firms and increasing TFP. This policy delivers 60% higher welfare than the standard prescription that ignores capital reallocation.*

Welfare Costs and Benefits of Deficit-Financed Fiscal Policy (with Raman Singh Chhina)
Deficit-financed fiscal policy plays a crucial role in alleviating the effects of short-run business cycle fluctuations. However, its benefits must be weighed against the costs of future taxation required to service the additional debt. In this paper, we analyze this welfare trade-off by decomposing and quantifying the channels through which fiscal policy impacts aggregate welfare in a Heterogeneous Agent New Keynesian (HANK) model. Our decomposition and quantification show that, beyond macroeconomic stabilization and redistribution, deficit-financed fiscal policy generates welfare benefits largely through two mechanisms: i) a self-financing channel, and ii) a liquidity channel. We apply our decomposition to create policy ranking measures like Benefits-to-Cost Ratio and the Marginal Value of Public Funds within the HANK model. Using these measures, we compare and rank various fiscal policies—including targeted transfers, mortgage principal relief, moratoriums, and unemployment insurance—based on their overall welfare benefits and 'bang for buck'.

Work in Progress

Firm Fisher Effects (with Otavio Rubiao)

Non-Refereed Publications and Policy Papers

Monetary Policy, Equity Markets and the Information Effect (RBA Research Discussion Paper 2021-04)

The Distributional Effects of Monetary Policy: Evidence from Local Housing Markets (with Gianni La Cava (RBA Research Discussion Paper 2020-02)
Presented at: Australian Conference of Economists (2019), RBA-RBNZ Workshop (2019)
In the press: The areas most vulnerable to interest rate changes

Awards, Scholarships and Prizes

2026	Gale and Steve Kohlhagen Fellowship, Stanford Institute for Economic Policy Research
2026	Brian Gray Scholarship, APRA and RBA
2025	Outstanding Teaching Assistant Award, Stanford
2024-26	Ric Weiland Graduate Fellowship in H&S, Stanford
2020	Governor's Award of Excellence, RBA
2016	University Medal (Economics), UNSW
2016	First Class Honours (Economics), UNSW
2016	UNSW Business School Excellence in Tutoring Award, UNSW

2016	Herbert Smith Freehills Law and Economics Honours Scholarship, UNSW
2016	UNSW Business School Honours Scholarship, UNSW
2016	UNSW Honours Year Scholarship, UNSW
2012-15	UNSW Business School Dean's Award, UNSW
2014	Dean's Honor List, UCLA
2014	Harry Manson Scholarship, UNSW
2014	International Exchange Scholarship, UNSW
2011	Premier's Award for All-Round Excellence, NESA

Professional Activities

2026	NBER Fiscal and Monetary Policy Boot Camp - poster presenter and participant. Instructors: Luigi Bocola, Francesco Bianchi, Corina Boar, and Christian Wolf
2023-	Stanford ABBK Reading Group, Stanford University
2019-21	Sydney Macroeconomic Reading Group coordinator, RBA
2019	RBA Conference Discussion editor, RBA
2019	Public Education and Access ambassador, RBA
2019	R User Group founder and coordinator, RBA
2019	Building Tidy Tools. Instructor: Hadley Wickham
2019	Aboriginal and Indigenous Employee Resource Group member, RBA
2018-19	Internal seminar coordinator, RBA
2018	Summer intern supervisor, RBA
2018	Monetary and Fiscal Policy with Heterogeneous Agents. Instructor: Greg Kaplan
2018	Career Trackers Indigenous intern supervisor, RBA

Additional Information

Programming	Python, R, Julia, SQL, Matlab
Languages	English (native), Mandarin (conversational)
Citizenship	Australia
Born	1994

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