

JULIEN DUC

PERSONAL INFORMATION Université Paris-Dauphine - PSL
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RESEARCH INTERESTS Macroeconomics, Money, Banking, Monetary Policy, CBDCs, Consumer Search

REFERENCES

Prof. Mariana Rojas Breu Université Paris II Panthéon Assas mariana.rojas-breu@u-paris2.fr	Prof. Richard Dutu Université Paris Dauphine - PSL richard.dutu@dauphine.psl.eu
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Prof. Sylvain Carré
Université Paris I Panthéon-Sorbonne
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EDUCATION

Université Paris Dauphine - PSL	
Ph.D. in Economics	2019-2024
M.Sc. in Monetary Economics and Finance	2018-2019
B.Sc. in Economics and Financial Engineering	2014-2017

PUBLICATIONS “**The Optimal Role Model**”, with [Côme Poirier](#), *Economics Letters*, 2024.

WORKING PAPERS

“Access to Credit, Markups and the Welfare Cost of Inflation” (JMP)
A growing body of literature studies the rise in markups and firm market power. Nevertheless, little attention has been paid to the effects of credit and liquidity distribution on markups. We examine the interaction of access to credit and firm market power in a frictional monetary economy with noisy consumer search à la Burdett and Judd (1983). Money is subject to the inflation tax, while access to credit is uncertain. Credit affects the equilibrium price distribution through money demand and firms’ pricing decision. We calibrate the model to U.S. data and find that higher access to credit increases the average markup for moderate levels of access to credit. Overall, access to credit in a microfounded model of liquidity demand provides a rationale for the increase in markups.

Presentations : AFSE 2024, Symposium on Money, Banking and Finance 2024, LEDa Macro-Finance Workshop.

“Money Issuance and Incentive-feasible Inflation”

Most monetary models assume inflation to be exogenously set by a monetary authority. I show that incentives to provide liquidity matter for achievable inflation rates. I build a model of inside and outside money where agents are subject to ex-post idiosyncratic preference shocks creating heterogeneous liquidity needs. Agents have access to a money issuance technology to insure against preference shocks at a fixed cost. I introduce seigniorage revenue as a monetary policy tool to (dis)incentivize inside money issuance and endogenize inflation. The model highlights a fundamental role of the demand for outside money in implementing inflation. When money issuance is relatively costly, a certain range of inflation or deflation rates is implementable and differs widely from environments with lump sum transfers or taxes. Contrary to conventional wisdom, reducing the money issuance cost shrinks the range of incentive-feasible inflation rates.

Presentations : AFSE Conference 2023, Symposium on Money Banking and Finance 2023, Paris Dauphine Ph.D. Workshop, LEDa Internal Seminar, Summer Workshop on Money, Banking, Payments, and Finance 2024 (poster) (FRB Washington D.C).

“**Central Bank Digital Currency and Risk Sharing in a Monetary Union**”, with [Mariana Rojas Breu](#).

In this paper we construct a two-country model of monetary exchange and bank credit to study resource allocation and risk sharing within a currency union. We study the market equilibrium that prevails when there is perfect integration of cross-border credit markets and when credit markets are fragmented, which prevents banks from engaging in cross-border lending activities. We find that credit market fragmentation yields a suboptimal allocation, both in terms of capital allocation and consumption risk sharing. We use this framework to study the implications of two supra-national policies when credit markets are fragmented : a common deposit insurance and a central-bank digital currency. While both policies improve consumption risk sharing, they differ in their effects on capital allocation.

Presentations : AFSE Conference 2021, EEA-ESEM 2021 Conference, Basel Reading Group, Symposium on Money, Banking and Finance 2021.

WORK IN
PROGRESS

“**Transactions Data and the Value of Money**”

Payment privacy has become a central issue in Central Bank Digital Currency design. I build a simple two asset model of monetary exchange where assets have different privacy-preserving features. Privacy is modeled as the ability to keep past transactions private information.

“**Price Dispersion and the Income Distribution**”

I study a simple noisy consumer search model with income distributions. I show how firms’ optimal pricing decisions are affected by properties of the income distribution.

PROFESSIONAL
ACTIVITIES

Université Paris Dauphine - Economics Lab (LEDa)

Member of the LEDa Council

2021-2023

Ph.D. Students Representative

2021-2023

Dauphine - Ecole des Mines Ph.D. Workshop Organizer

2020

TEACHING

Adjunct Lecturer (Université Paris Dauphine - PSL)

Long Term Macroeconomics (1st year undergraduate)

2021-2024

Mathematics for Economists (3rd year undergraduate)

2022-2024

Teaching Assistant (Université Paris Dauphine - PSL)

Introduction to Macroeconomics (1st year undergraduate)

2019-2020

Microeconomics undergraduate (1st year undergraduate)

2019-2020

TECHNICAL
SKILLS

Matlab, C, Mathematica, LaTeX, Microsoft Office

LANGUAGES

French : Native

Spanish : Intermediate

English : Fluent

German : Intermediate