



David Andolfatto—Vice President

Joined the Bank Staff July, 2009

Education Ph.D. Economics, University of Western Ontario, 1994
M.A. Economics, Simon Fraser University, 1987
B.B.A. Commerce, Simon Fraser University, 1985

Areas of Interest Dynamic General Equilibrium Theory, Macroeconomics, Labor Markets, Monetary Theory

Previous Experience

2005-present Professor, Department of Economics, Simon Fraser University

May 2009 Visiting Scholar, Universite d'Orleans (Orleans)

November 2008 Visiting Scholar, Sharif University (Tehran)

October 2008 Visiting Scholar, Central European University (Budapest)

March 2008 Visiting Scholar, Einaudi Institute for Economics and Finance (Rome)

March-June 2007; April Visiting Scholar, Federal Reserve Bank of Cleveland

2000-2005 Associate Professor, Department of Economics, Simon Fraser University

2005 Visiting Scholar, Banco de la Republica (Bogota Colombia)

July-August 2002 Visiting Scholar, Bank of Japan (Tokyo)

October 2002; January-February 1999; October 1997 Visiting Scholar, Institute for Advanced Studies (Vienna)

1997-2000 Associate Professor, Department of Economics, University of Waterloo

1998-1999

Visiting Professor, Department of Economics, University of Western Ontario

Forthcoming Papers

"Essential Interest-Bearing Money," FORTHCOMING: *Journal of Economic Theory*.

"Reconciling Orthodox and Heterodox Views on Money and Banking," FORTHCOMING: *Review of Economic Analysis*.

Journal Publications

"Monetary Policy and Liquid Government Debt," with Fernando M. Martin, *Journal of Economic Dynamics & Control*, April 2018, Vol. 89, pp. 183-199., Publisher DOI: <https://doi.org/10.1016/j.jedc.2018.01.037>

"Rehypothecation and Liquidity," with Fernando M. Martin and Shengxing Zhang, *European Economic Review*, November 2017, Vol. 100, pp. 488-505., Publisher DOI: <https://www.sciencedirect.com/science/article/pii/S0014292117301745?via%3Dihub>

"Preventing Bank Runs," with Ed Nosal and Bruno Sultanum, *Theoretical Economics*, September 2017, Vol. 12(3), pp. 1003-1028.

"Monetary Policy with Asset-Backed Money," with Aleksander Berentsen and Christopher J. Waller, *Journal of Economic Theory*, July 2016, Vol. 164, pp. 166-186.

"Scarcity of Safe Assets, Inflation, and the Policy Trap," with Stephen Williamson, *Journal of Monetary Economics*, July 2015, Vol. 73, pp. 70-92.

"Optimal Disclosure Policy and Undue Diligence," with Aleksander Berentsen and Christopher J. Waller, *Journal of Economic Theory*, January 2014, Vol. 149, pp. 128-152.

"Information Disclosure and Exchange Media," with Fernando M. Martin, *Review of Economic Dynamics*, July 2013, Vol. 16, No. 3, pp. 527-539.

"Incentive-Feasible Deflation," *Journal of Monetary Economics*, May 2013, Vol. 60(4), pp. 383-390.

"A Note on the Societal Benefits of Illiquid Bonds," *Canadian Journal of Economics-Revue Canadienne d'Economique*, February 2011, Vol. 44(1), pp. 133-147.

"Essential Interest-Bearing Money," *Journal of Economic Theory*, July 2010, Vol. 145(4), pp. 1495-1507.

"Money, Intermediation, and Banking," with Ed Nosal, *Journal of Monetary Economics*, April 2009, Vol. 56(3), pp. 289-94.

"Rational Truth-Avoidance and Self-Esteem," with Steeve Mongrain and Gordon Myers, *Canadian Journal of Economics-Revue Canadienne d'Economique*, February 2009, Vol. 42(1), pp. 141-54.

"Endogenous Debt Constraints in a Life-Cycle Model with an Application to Social Security," with Martin Gervais, *Journal of Economic Dynamics & Control*, December 2008, Vol. 32(12), pp. 3745-59.

"Bank Incentives, Contract Design, and Bank-Runs," with Ed Nosal, *Journal of Economic Theory*, September 2008, Vol. 142(1), pp. 28-47.

"Are Inflation Expectations Rational?" with Scott Hendry and Kevin Moran, *Journal of Monetary Economics*, March 2008, Vol. 55(2), pp. 406-22.

"The Role of Independence in the Green-Lin Diamond-Dybvig Model," with Ed Nosal and Neil Wallace, *Journal of Economic Theory*, November 2007, Vol. 137(1), pp. 709-15.

"Human Capital Investment and Debt Constraints," with Martin Gervais, *Review of Economic Dynamics*, January 2006, Vol. 9(1), pp. 52-67.

"Labour Markets, Liquidity, and Monetary Policy Regimes," with Scott Hendry and Kevin Moran, *Canadian Journal of Economics-Revue Canadienne d'Economique*, May 2004, Vol. 37(2), pp. 392-420.

"Comment on 'Taking Intermediation Seriously' by Bruce D. Smith," *Journal of Money, Credit, and Banking*, December 2003, Vol. 35(6 Part 2 of 2), pp. 1359-66.

"Monetary Implications of the Hayashi-Prescott Hypothesis for Japan," *Monetary and Economic Studies*, December 2003, Vol. 21(4), pp. 1-20.

"Monetary Policy Regimes and Beliefs," with Paul Gomme, *International Economic Review*, February 2003, Vol. 44(1), pp. 1-30.

"A Theory of Inalienable Property Rights," *Journal of Political Economy*, April 2002, Vol. 110(2), pp. 382-93.

"Distributional Dynamics Following a Technological Revolution," with Eric Smith, *Canadian Journal of Economics-Revue Canadienne d'Economique*, August 2001, Vol. 34(3), pp. 739-59.

"A Simple Model of Money and Banking," with Ed Nosal, *Federal Reserve Bank of Cleveland Economic Review*, Vol. 37(3), pp. 20-28.

"Technology Diffusion and Aggregate Dynamics," with Glenn MacDonald, *Review of Economic Dynamics*, April 1998, Vol. 1(2), pp. 338-70.

"U.S. Labor Market Policy and the Canada-U.S. Unemployment Rate Gap," with Paul Gomme and Paul Storer, *Canadian Public Policy*, February 1998, Vol. 24(Supplement 1), pp. 210-32.

"Unemployment and Economic Welfare," with Paul Gomme, *Federal Reserve Bank of Cleveland Economic Review*, Vol. 34(3), pp. 25-34.

"Evidence and Theory on the Cyclical Asymmetry in Unemployment Rate Fluctuations," *Canadian Journal of Economics-Revue Canadienne d'Economique*, August 1997, Vol. 30(3), pp. 709-21.

"Optimal Team Contracts," with Ed Nosal, *Canadian Journal of Economics-Revue Canadienne d'Economique*, May 1997, Vol. 30(2), pp. 385-96.

"Unemployment Insurance and Labor-Market Activity in Canada," with Paul Gomme, *Carnegie-Rochester Conference Series on Public Policy*, June 1996, Vol. 44, pp. 47-82.

"Business Cycles and Labor-Market Search," *American Economic Review*, March 1996, Vol. 86(1), pp. 112-32.

Working Papers

"Reconciling Orthodox and Heterodox Views on Money and Banking," Federal Reserve Bank of St. Louis Working Paper 2018-027A, October 2018.

"Assessing the Impact of Central Bank Digital Currency on Private Banks," Federal Reserve Bank of St. Louis Working Paper 2018-026B, October 2018.

"Understanding Lowflation," with Andrew Spewak, Federal Reserve Bank of St. Louis Working Paper 2018-024A, September 2018.

"Money, Banking and Financial Markets," with Aleksander Berentsen and Fernando M. Martin, Federal Reserve Bank of St. Louis Working Paper 2017-023B, August 2018.

"Bank runs without sequential service," with Ed Nosal, Federal Reserve Bank of St. Louis Working Paper 2018-016A, July 2018.

"Bank panics and scale economies," with Ed Nosal, Federal Reserve Bank of St. Louis Working Paper 2017-009A, March 2017.

"Essential Interest-Bearing Money," Federal Reserve Bank of St. Louis Working Paper 2009-044A, April 2010.

"On the Social Cost of Transparency in Monetary Economies," Federal Reserve Bank of St. Louis Working Paper 2010-001A, December 2009.

"Money and Capital as Competing Media of Exchange in a News Economy," with Fernando M. Martin, Federal Reserve Bank of St. Louis Working Paper 2009-046A, September 2009.

Articles in Federal Reserve Bank of St. Louis Publications

"Blockchain: What It Is, What It Does, and Why You Probably Don't Need One," Federal Reserve Bank of St. Louis *Review*, Second Quarter 2018, Vol. 100, No. 2, pp. 87-95.

"A Model of U.S. Monetary Policy Before and After the Great Recession," Federal Reserve Bank of St. Louis *Review*, Third Quarter 2015, Vol. 97, No. 3, pp. 233-56.

"Liquidity Shocks, Real Interest Rates, and Global Imbalances," Federal Reserve Bank of St. Louis *Review*, May/June 2012, Vol. 94, No. 3, pp. 187-196.

"Many Moving Parts: The Latest Look Inside the U.S. Labor Market," Federal Reserve Bank of St. Louis *Review*, March/April 2012, Vol. 94, No. 2, pp. 135-152.

"Fiscal Multipliers in War and in Peace," Federal Reserve Bank of St. Louis *Review*, March/April 2010, Vol. 92, No. 2, pp. 121-128.

Other Publications

"The Theory of Money," in H. Bougrine and M. Seccareccias, ed., *Introducing Macroeconomic Analysis: Issues, Questions, and Competing Views*, Emond Montgomery Publications Limited, 2009, pp. 35-48

"Search Models of Unemployment," in Steven N. Durlauf and Lawrence E. Blume, ed., *The New Palgrave Dictionary of Economics*, 2nd, Palgrave Macmillan, 2008

"Estimating Canadian Monetary Policy Regimes," with Paul Gomme, Working Paper , unpublished working paper, posted March 2008

Macroeconomic Theory and Policy
2nd edition, University Library of Munich, Germany, 2008

"On the Coexistence of Money and Bonds," Working Paper , unpublished working paper, posted February 2005

"2007 Jobless Recoveries," with Glenn MacDonald, Working Paper , unpublished working paper, posted November 2004

"Comment on 'The Expectation Trap Hypothesis' by Lawrence J. Christiano and Christopher Gust," *Proceedings of the Bank of Canada Conference on Money, Policy and Transmission Mechanisms*, October 2000, pp. 394-402.

"Lifecycle Learning, Earning, Income and Wealth (with Christopher Ferrall and Paul Gomme) May 2000," with Christopher Ferrall and Paul Gomme, Working Paper , unpublished working paper, posted January 2000

"Heterogeneous time preference and the distribution of weath," with James Redekop, Working Paper , unpublished working paper, posted July 1998

"Redistribution policy in a model with heterogeneous time preference," with James Redekop, Working Paper , unpublished working paper, posted December 1997