

YiLi Chien—Research Officer

Joined the Bank Staff February, 2012

Education

Ph.D. Economics, University of California, Los Angeles, 2006
C.Phil Economics, University of California, Los Angeles, 2003
M.A. Economics, National Taiwan University (NTU), Taipei, Taiwan, 1998
B.A. Economics, National TsingHua University (NTHU), HsinChu, Taiwan, 1996

Areas of Interest

Macroeconomics, Household Finance and Asset Pricing,
Asymmetric Information and Dynamic Contracting

Previous Experience

2011-2012 Visiting Scholar, Federal Reserve Bank of St. Louis
2006 Assistant Professor, Dept. of Economics, Purdue University
2004-2006 Research Assistant, National Bureau of Economics Research
2002-2006 Teaching Fellow, Dept. of Economics, UCLA
2000-2001 Research Assistant, Institute of Economics

Forthcoming Papers

"Why Are Exchange Rates So Smooth? A Household Finance Explanation," with Hanno Lustig and Kanda Naknoi, FORTHCOMING: *Journal of Monetary Economics*.

Journal Publications

"Two Monetary Models with Alternating Markets," with Gabriele Camera, *Journal of Money, Credit, and Banking*, August 2016, Vol. 48, No. 5, pp. 1051-1064.

"Implications Of Heterogeneity in Preferences, Beliefs and Asset Trading Technologies in An Endowment Economy," with Harold L. Cole and Hanno Lustig, *Review of Economic Dynamics*, April 2016, Vol. 20, pp. 215-239.

"The Risk Premium and Long-run Global Imbalances," with Kanda Naknoi, *Journal of Monetary Economics*, November 2015, Vol. 76, pp. 299-315.

"Understanding The Distributional Impact of Long-Run Inflation," with Gabriele Camera, *Journal of Money, Credit, and Banking*, September 2014, Vol. 46, No. 6, pp. 1137-1170.

"A Note on Excessive Perks to Restrain the Hidden Saving Problem," with Joon Song, *Macroeconomic Dynamics*, March 2014, Vol. 18, No. 2, pp. 480-496., Publisher DOI: <https://www.cambridge.org/core/journals/macroeconomic-dynamics/article/note-on-using-excessive-perks-to-restrain-the-hidden-saving-problem/B0FFA873F9325AA246E51B23ADC4F36C>

"Perks in Long-term Contracts," with Minseong Kim and Joon Song, *Korean Economic Review*, 2013, Vol. 29, No. 1, pp. 161-188.

"Is the Volatility of the Market Price of Risk Due to Intermittent Portfolio Re-balancing?" with Harold L. Cole and Hanno Lustig, *American Economic Review*, Oct 2012, Vol. 102, No. 6, pp. 2859-2896., Publisher DOI: <https://www.aeaweb.org/articles?id=10.1257/aer.102.6.2859>

"Externality Cost of Capital Investment in Limited Commitment," with Junsang Lee, *KDI Journal of Economic Policy*, Vol. 34, No. 2, pp. 17-40.

"A Multiplier Approach to Understanding the Macro Implications of Household Finance," with Harold L. Cole and Hanno Lustig, *Review of Economic Studies*, January 2011, Vol. 78, No. 1, pp. 199-234., Publisher DOI: <https://academic.oup.com/restud/article/78/1/199/1535807>

"The Market Price of Aggregate Risk and the Wealth Distribution," with Hanno Lustig, *Review of Financial Studies*, April 2010, Vol. 23, No. 4, pp. 1596-1650., Publisher DOI: <https://doi.org/10.1093/rfs/hhp079>

Working Papers

"Optimal Fiscal Policies under Market Failures," with Yi Wen, Federal Reserve Bank of St. Louis Working Paper 2020-002A, January 2020.

"The Determination of Public Debt under both Aggregate and Idiosyncratic Uncertainty," with Yi Wen, Federal Reserve Bank of St. Louis Working Paper 2019-038B, December 2019.

"Don't Tax Capital — Optimal Ramsey Taxation in Heterogeneous Agent Economies with Quasi-Linear Preferences," with Yi Wen, Federal Reserve Bank of St. Louis Working Paper 2019-007C, June 2019.

"The Real Term Premium in a Stationary Economy with Segmented Asset Markets," with Junsang Lee, Federal Reserve Bank of St. Louis Working Paper 2018-030A, April 2018.

"Optimal Ramsey Capital Income Taxation—A Reappraisal," with Yi Wen, Federal Reserve Bank of St. Louis Working Paper 2017-024C, February 2018.

"Implementing the Modified Golden Rule? Optimal Ramsey Capital Taxation with Incomplete Markets Revisited," with Yunmin Chen and C.C. Yang, Federal Reserve Bank of St. Louis Working Paper 2017-003G, January 2018.

"Why Are Exchange Rates So Smooth? A Household Finance Explanation," with Hanno Lustig and Kanda Naknoi, Federal Reserve Bank of St. Louis Working Paper 2015-039D, September 2017.

"Incentive Compatibility as a Nonnegative Martingale," with Yunmin Chen and C.C. Yang, Federal Reserve Bank of St. Louis Working Paper 2015-043C, December 2016.

Articles in Federal Reserve Bank of St. Louis Publications

"The Real Term Premium in a Stationary Economy with Segmented Asset Markets," Federal Reserve Bank of St. Louis *Review*, Second Quarter 2019, Vol. 101, No. 2, pp. 115-34.

"Optimal Ramsey Capital Taxation with Endogenous Government Spending," Federal Reserve Bank of St. Louis *Review*, Fourth Quarter 2016, Vol. 98, No. 4, pp. 311-27.

"The Welfare Cost of Business Cycles with Heterogeneous Trading Technologies," Federal Reserve Bank of St. Louis *Review*, First Quarter 2015, Vol. 97, No. 1, pp. 67-86.