

## Christopher J. Waller -- Emeritus

**Joined the Bank Staff** June, 2009

**Education** Ph.D. Economics  
Washington State University  
1985  
M.A. Economics  
Washington State University  
1984  
B.S. Economics  
Bemidji State University  
1981

**Areas of Interest** Monetary Theory, Political Economy, Macroeconomic Theory

### Previous Experience

2018-present Advisor to the Center for Innovative Finance, Crypto Research Center, University of Basel (Switzerland)

2017-present Professorial Research Fellow, Deakin University (Melbourne, Australia)

2003-2015 Professor, Economics, University of Notre Dame

2003-2009 Gilbert F. Schaefer Chair of Economics, University of Notre Dame

2003-2009 Research Fellow, Nanovic Institute of European Studies and the Kellogg Institute for International Studies, University of Notre Dame

2006-2007 Acting Department Chair, Dept. of Economics and Econometrics, University of Notre Dame

Summer 2006 Erskine Fellow, University of Canterbury (Christchurch-New Zealand)

1998-2003 Professor and Carol Martin Gatton Chair of Macroeconomics and Monetary Economics, University of Kentucky

1998-2003 Research Fellow, Center for European Integration Studies (ZEI), University of Bonn

1998-2004 Visiting Professor, EERC, National University of Kiev-Mohyla Academy (Kiev-Ukraine)

1994-1995 Visiting Scholar, Federal Reserve Bank of St. Louis and Washington University

Summer 1994 Visiting Scholar, University of Mannheim (Mannheim- Germany)

May-94	Visiting Scholar, International Finance Division, Board of Governors of the Federal Reserve System
1992-1994	Director of Graduate Studies, Department of Economics, Indiana University
1992-1998	Associate Professor, Department of Economics, Indiana University
1985-1992	Assistant Professor, Indiana University
1981-1985	Teaching Assistant, Washington State University

## Journal Publications

"Stabilization Policy at the Zero Lower Bound," with Paola Boel, *International Economic Review*, 11/2019, Vol. 60, No. 4, pp. 1539-1563.

Publisher DOI: <https://onlinelibrary.wiley.com/doi/10.1111/iere.12396>

"Liquidity Premiums on Government Debt and the Fiscal Theory of the Price Level," with Aleksander Berentsen, *Journal of Economic Dynamics & Control*, April 2018, Vol. 89, pp. 173-182.

"Nominal Exchange Rate Determinacy under the Threat of Currency Counterfeiting," with Pere Gomis-Porqueras and Timothy Kam, *American Economic Journal-Macroeconomics*, April 2017, Vol. 9, No. 2, pp. 256-273.

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

"Optimal Stabilization Policy With Search Externalities," with Aleksander Berentsen, *Macroeconomic Dynamics*, April 2015, Vol. 19, No. 3, pp. 669-700.

"Optimal Stabilization Policy with Search Externalities," with Aleksander Berentsen, *Macroeconomic Dynamics*, April 2015, Vol. 19, No. 3, pp. 669-700.

"Floor Systems for Implementing Monetary Policy: Some Unpleasant Fiscal Arithmetic," with Aleksander Berentsen and Alessandro Marchesiani, *Review of Economic Dynamics*, July 2014, Vol. 17, No. 3, pp. 523-542.

"The Shadow Economy as an Equilibrium Outcome," with Pere Gomis-Porqueras and Adrian Peralta-Alva, *Journal of Economic Dynamics & Control*, April 2014, Vol. 41, pp. 1-19.

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

"Price-level Targeting and Stabilization Policy," with Aleksander Berentsen, *Journal of Money, Credit, and Banking*, October 2011, Vol. 43, Supplement 2, pp. 559-580.

"Random Matching and Money in the Neoclassical Growth Model: Some Analytical Results," *Macroeconomic Dynamics*, September 2011, Vol. 15, Supplement 2, pp. 293-312.

"Outside Bonds versus Inside Bonds: A Modigliani-Miller Type Result for Liquidity Constrained Economies," with Aleksander Berentsen, *Journal of Economic Theory*, September 2011, Vol. 146, No. 5, pp. 1852-1887.

"Money and Capital: A Quantitative Analysis," with S. Bora?an Aruoba and Randall Wright, *Journal of Monetary Economics*, March 2011, Vol. 58, No. 2, pp. 98-116.

"Introduction to the Special Issue on Money, Credit, and Liquidity," with Ed Nosal and Randall Wright, *Macroeconomic Dynamics*, December 2010, Vol. 15, Supplement 1, pp. 1-9.

"Intensive vs. Extensive Margin Tradeoffs in a Simple Monetary Search Model," with Sébastien Lotz and Andrei Shevchenko, *Annales d'Economie et de Statistiques (Annals of Economics and Statistics)*, April/June 2007, Vol. 86, pp. 138-148.

"Bargaining and the Value of Money," with S. Bora?an Aruoba and Guillaume Rocheteau, *Journal of Monetary Economics*, November 2007, Vol. 54, No. 8, pp. 2636-2655.

"Money, Credit and Banking," with Aleksander Berentsen and Gabriele Camera, *Journal of Economic Theory*, July 2007, Vol. 135, No. 1, pp. 171-195.

"Heterogeneity and Lotteries in Monetary Search Models," with Sébastien Lotz and Andrei Shevchenko, *Journal of Money, Credit, and Banking*, March/April 2007, Vol. 39, No. 2-3, pp. 703-713.

"Money and Risk Sharing," with Robert Reed, *Journal of Money, Credit, and Banking*, September 2006, Vol. 38, No. 6, pp. 1599-1618.

"The Distribution of Money Balances and the Non-neutrality of Money," with Aleksander Berentsen and Gabriele Camera, *International Economic Review*, May 2005, Vol. 46, No. 2, pp. 465-487.

"Currency Competition in a Fundamental Model of Money," with Gabriele Camera and Ben Craig, *Journal of International Economics*, December 2004, Vol. 64, No. 2, pp. 521-544.

"The Distribution of Money and Prices in an Equilibrium with Lotteries," with Aleksander Berentsen and Gabriele Camera, *Economic Theory*, November 2004, Vol. 24, No. 4, pp. 887-906.

- "Dollarization and Currency Exchange," with Ben Craig, *Journal of Monetary Economics*, May 2004, Vol. 51, No. 4, pp. 671-689.
- "Central Bank Design in General Equilibrium," with James Bullard, *Journal of Money, Credit, and Banking*, February 2004, Vol. 36, No. 1, pp. 95-113.
- "Comment on 'Search, Money and Capital: A Neoclassical Dichotomy'," *Journal of Money, Credit, and Banking*, December 2003, Vol. 35, No. 6, Part 2, pp. 1111-1117.
- "A Jack of All Trades or a Master of One? Specialization, Trade and Money," with Gabriele Camera and Robert Reed, *International Economic Review*, November 2003, Vol. 44, No. 4, pp. 1275-1294.
- "Can Monetizing Trade Lower Welfare? An Example," with Gabriele Camera and Robert Reed, *Economics Letters*, November 2003, Vol. 81, No. 2, pp. 179-186.
- "Currency Restrictions, Government Transaction Policies and Currency Exchange," with Elisabeth Curtis, *Economic Theory*, January 2003, Vol. 21, No. 1, pp. 19-42.
- "Corruption: Top Down or Bottom Up?" with Roy Gardner and Thierry Verdier, *Economic Inquiry*, October 2002, Vol. 40, No. 4, pp. 688-703.
- "Policy Boards and Policy Smoothing," *Quarterly Journal of Economics*, February 2000, Vol. 115, No. 1, pp. 305-339.
- "A Search-Theoretic Model of Legal and Illegal Currency," with Elisabeth Curtis, *Journal of Monetary Economics*, February 2000, Vol. 45, No. 1, pp. 155-184.
- "Dual Currency Economies as Multiple Payment Systems," with Ben Craig, *Federal Reserve Bank of Cleveland Economic Review*, 2000, Vol. 36, No. 1, pp. 2-13.
- "Central Banking as a Political Principal-Agent Problem," with Michele Fratianni and Jürgen von Hagen, *Economic Inquiry*, April 1997, Vol. 35, No. 2, pp. 378-393.
- "A Benefit-Cost Analysis of Disinflation," with Christopher J. Neely, *Contemporary Economic Policy*, January 1997, Vol. 15, No. 1, pp. 50-64.
- "Central Bank Independence, Economic Behavior and Optimal Term Lengths," with Carl E. Walsh, *American Economic Review*, December 1996, Vol. 86, No. 5, pp. 1139-1153.
- "An Expository Model of Credit Rationing," with Steve Lewarne, *Journal of Macroeconomics*, Summer 1994, Vol. 16, No. 3, pp. 539-45.

"Discretionary Monetary Policy and Socially Efficient Wage Indexation," with David VanHoose, *Quarterly Journal of Economics*, November 1992, Vol. 107, No. 4, pp. 1451-1460.

"The Choice of a Conservative Central Banker in a Multisector Economy," *American Economic Review*, September 1992, Vol. 82, No. 4, pp. 1006-1012.

"The Maastricht Way to EMU," with Michele Fratianni and Jürgen von Hagen, *Princeton University Essays in International Finance*, June 1992, Vol. 187, pp. 1-46.

"A Bargaining Model of Partisan Appointments to the Central Bank," *Journal of Monetary Economics*, June 1992, Vol. 29, No. 3, pp. 411-428.

"Discretion, Wage Indexation, and Inflation," with David VanHoose, *Southern Economic Journal*, October 1991, Vol. 58, No. 2, pp. 356-67.

"Bashing and Coercion in Monetary Policy," *Economic Inquiry*, January 1991, Vol. 29, No. 1, pp. 1-13.

"Generalized Neoclassical Optimization: Concave Indifference Surfaces and Free Disposal," with L.E. Johnson and S. Vogt, *International Review of Economics and Business*, September 1990, Vol. 37, pp. 837-850.

"Administering the Window: A Game Theoretic Model of Discount Window Borrowing," *Journal of Monetary Economics*, March 1990, Vol. 25, No. 2, pp. 273-287.

"Macroeconomic Policy Games and Central Bank Politics," *Journal of Money, Credit, and Banking*, November 1989, Vol. 21, No. 4, pp. 422-431.

"Islands, Indexation, and Monetary Policy," with David VanHoose, *Economic Inquiry*, October 1989, Vol. 27, No. 4, pp. 705-718.

"Efficiency Wages, Indexation, and Macroeconomic Stabilization," *Economics Letters*, August 1989, Vol. 30, No. 2, pp. 125-128.

"Optimal Monetary Policy and Alternative Wage Indexation Schemes in a Model with Interest-Sensitive Labor Supply," with David VanHoose, *Journal of Macroeconomics*, Spring 1989, Vol. 11, No. 2, pp. 163-180.

"Endogenous Wage Indexation and Optimal Monetary Policy With and Without a Balanced Budget," with David VanHoose, *Journal of Economics and Business*, February 1989, Vol. 41, No. 1, pp. 21-31.

"Deficit Financing and the Role of the Central Bank - A Game Theoretic Approach," *Atlantic Economic Journal*, July 1987, Vol. 15, pp. 25-32.

"Reputation Building in a Monetary Policy Game," *Journal of Macroeconomics*, Summer 1987, Vol. 9, No. 3, pp. 351-372.

### **Working Papers**

"Optimal Taxes Under Private Information: The Role of Inflation," with Pere Gomis-Porqueras, Federal Reserve Bank of St. Louis Working Paper 2017-014D, August 2020.

"On the Essentiality of Credit and Banking at the Friedman Rule," with Paola Boel, Federal Reserve Bank of St. Louis Working Paper 2020-018B, July 2020.

"What is the Value of Being a Superhost? Pricing and ratings in search equilibrium," with Aleksander Berentsen and Mariana Rojas Breu, Federal Reserve Bank of St. Louis Working Paper 2019-019A, July 2019.

"What is the Value of Being a Superhost?" with Aleksander Berentsen and Mariana Rojas Breu, Federal Reserve Bank of St. Louis Working Paper 2019-019A, July 2019.

"Dynamic Taxation, Private Information and Money," Federal Reserve Bank of St. Louis Working Paper 2009-035A, August 2009.

### **Articles in Federal Reserve Bank of St. Louis Publications**

"Gauging Market Responses to Monetary Policy Communication," Federal Reserve Bank of St. Louis *Review*, Second Quarter 2019, Vol. 101, No. 2, pp. 69-91.

"Gauging the Evolution of Monetary Policy Communication Before and After the Financial Crisis," Federal Reserve Bank of St. Louis *Economic Synopses*, 2018, No. 27.

"Who Exactly Benefits from Too Big To Fail?" Federal Reserve Bank of St. Louis *Economic Synopses*, 2016, No. 13.

"Focus on Low Real Interest Rate Might Be Misplaced," Federal Reserve Bank of St. Louis *Regional Economist*, First Quarter 2016, Vol. 24, No. 1.

"Microfoundations of Money: Why They Matter," Federal Reserve Bank of St. Louis *Review*, Fourth Quarter 2015, Vol. 97, No. 4, pp. 289-301.

"U.S. Income Inequality May Be High, but It Is Lower Than World Income Inequality," Federal Reserve Bank of St. Louis *Regional Economist*, Third Quarter 2014, Vol. 22, No. 3.

"The Rise and (Eventual) Fall in the Fed's Balance Sheet," Federal Reserve Bank of St. Louis *Regional Economist*, First Quarter 2014, Vol. 22, No. 1.

"Price-Level Targeting and Stabilization Policy," Federal Reserve Bank of St. Louis *Review*, March/April 2013, Vol. 95, No. 2, pp. 145-163.

"State and Local Debt: Growing Liabilities Jeopardize Fiscal Health," Federal Reserve Bank of St. Louis *Regional Economist*, Fourth Quarter 2012, Vol. 20, No. 4.

"Demographics, Redistribution, and Optimal Inflation," Federal Reserve Bank of St. Louis *Review*, November/December 2012, Vol. 94, No. 6, pp. 419-440.

"Sovereign Debt: A Modern Greek Tragedy," Federal Reserve Bank of St. Louis *Review*, September/October 2012, Vol. 94, No. 5, pp. 321-340.

"Independence + Accountability: Why the Fed Is a Well-Designed Central Bank," Federal Reserve Bank of St. Louis *Review*, September/October 2011, Vol. 93, No. 5, pp. 293-302.

"Commentary on "Assessing the Political Viability of Labor Market Reform The Case of Employment Protection", " Federal Reserve Bank of St. Louis *Review*, May/June 1999, Vol. 81, No. 3, pp. 89-92.

"Performance Contracts for Central Bankers," Federal Reserve Bank of St. Louis *Review*, September/October 1995, Vol. 77, No. 5, pp. 3-14.

### **On the Economy Blog Posts**

"Was the Great Moderation Simply on Vacation?" *On the Economy*, September 26, 2016

"How Successful is the Fed at Controlling Interest Rates?" *On the Economy*, July 11, 2016

"Negative Interest Rates: A Tax in Sheep's Clothing," *On the Economy*, May 2, 2016