



Last update: June 2013

Richard G. Anderson—Vice President and Economist

Joined the Bank Staff June 27, 1988

Education Ph.D. Massachusetts Institute of Technology, 1980
B.A. University of Minnesota, Minneapolis, 1972

Areas of Interest Macroeconomics, Econometrics

Previous Experience

1988-1992 Economist, Division of Monetary Affairs, Board of Governors of the
Federal Reserve System

1989-1992 Adjunct Professor of Economics and Finance, Virginia Tech

1987-1988 Visiting Assistant Professor, Department of Economics and Graduate
School of Business Administration, University of Michigan

1980-1987 Assistant Professor, Department of Economics, Ohio State University

1976-1980 Assistant Professor, Department of Economics, Michigan State University

Articles Published in Peer-Reviewed Journals

“Nonlinear Relationship between Permanent and Transitory Components of Monetary Aggregates and the Economy” with Marcelle Chauvet and Barry Jones,
FORTHCOMING: *Econometric Reviews*

“Connectionist-Based Rules Describing the Pass-through of Individual Goods Prices into Trend Inflation in the United States” with Jane M. Binner and Vincent A. Schmidt,
FORTHCOMING: *Economics Letters*

“How Does the FOMC Learn About Economic Revolutions? Evidence from the New Economy Era, 1994-2001” with Kevin L. Kliesen, *Business Economics*, January 2012, 47(1), pp. 27-56

“Does Money Matter in Inflation Forecasting?” with Jane M. Binner, Peter Tino, Jonathan Tepper, Barry Jones, and Graham Kendall, *FORTHCOMING: Physica A – Statistical Applications and Methods*.

“Mean-Variance vs. Full-Scale Optimization: Broad Evidence for the UK” with Björn Hagströmer, Jane M. Binner, Thomas Elger, and Birger Nilsson, *The Manchester School*, September 2008, 76(Supplement 1), pp. 134-56.

“A Specialized Inventory Problem in Banks: Optimizing Retail Sweeps” with Suresh K. Nair, *Production Optimization and Management Science*, May 2008, 17(3), pp. 285-95.

“The Role of Data & Program Code Archives in the Future of Economic Research” with William H. Greene, Bruce D. McCullough, and H. D. Vinod, *Journal of Economic Methodology*, March 2008, 15(1), pp. 99-119.

“A Vector Error-Correction Forecasting Model of the United States” with Dennis Hoffman and Robert Rasche, *Journal of Macroeconomics*, December 2002, 24(4), pp. 569-98.

“Modeling U.S. Households’ Demand for Liquid Wealth in an Era of Financial Change” with Sean Collins, *Journal of Money, Credit and Banking*, February 1998, 30(1), pp. 83-101.

“Replicating the Replicators: Reply to John Merrick” with William G. Dewald and Jerry Thursby, *American Economic Review*, December 1988, 78(5) pp. 1162-63.

“Confidence Intervals for Elasticity Estimators in Translog Models” with Jerry Thursby (Purdue University), *Review of Economics and Statistics*, November 1986, 68(4), pp. 647-56.

“Replication and Scientific Standards in Empirical Economics: Evidence from the JMCB Project” with William G. Dewald and Jerry Thursby, *American Economic Review*, September 1986, 76(4), pp. 1255-57.

“Valuing the Core Deposits of Financial Institutions: A Statistical Analysis” with E.J. McCarthy and L. Patten, *Journal of Bank Research*, Spring 1986, 17(1), pp. 9-17.

“A New Look at the Relationship Between Time-Series and Structural Econometric Models” with J. Johannes and R.H. Rasche, *Journal of Econometrics*, October 1983, 23(2), pp. 234-51.

“What Do Money Market Models Tell Us About How to Implement Monetary Policy?” with Robert H. Rasche, *Journal of Money, Credit and Banking*, November 1982, 14(4), pp. 796-828.

“On the Specification of Conditional Factor Demand Functions in Recent Studies of U.S. Manufacturing,” in Ernst Berndt and Barry Fields, eds., *Modeling and Measuring Natural Resource Substitution*, Cambridge, MA: MIT Press, 1981.

“Labor Cost and U.S. Comparative Advantage in Steel and Motor Vehicles” with Mordechai Kreinin, *The World Economy*, 1981, 4(2).

“The Treatment of Intermediate Materials in Estimating the Demand for Energy: The Case of U.S. Manufacturing 1947-1971,” *The Energy Journal*, October 1980, 1(4).

Articles Published by the Federal Reserve Bank of St. Louis

“Doubling Your Monetary Base and Surviving: Some International Experience” with Charles S. Gascon and Yang Liu, *Federal Reserve Bank of St. Louis Review*, November/December 2010, 92(6), pp. 481-506.

“FOMC Learning and Productivity Growth (1985-2003): A Reading of the Record” with Kevin L. Kliesen, *Federal Reserve Bank of St. Louis Review*, March/April 2010, 92(2), pp. 129-53.

“The Commercial Paper Market, the Fed, and the 2007-2009 Financial Crisis” with Charles S. Gascon, *Federal Reserve Bank of St. Louis Review*, November/December 2009, 91(6), pp. 589-612.

“The Curious Case of the U.S. Monetary Base,” *Federal Reserve Bank of St. Louis The Regional Economist*, July 2009, pp. 12-13.

“Editor’s Introduction: Projecting Potential Growth: Issues and Measurements – The 33rd Annual Economic Policy Conference,” *Federal Reserve Bank of St. Louis Review*, July/August 2009, 91(4), pp. 181-5.

“Estimating U.S. Output Growth with Vintage Data in a State-Space Framework” with Charles S. Gascon, *Federal Reserve Bank of St. Louis Review*, July/August 2009, 91(4), pp. 349-64.

“Currency Design in the United States and Abroad: Counterfeit Deterrence and Visual Accessibility” with Marcela M. Williams, Federal Reserve Bank of St. Louis *Review*, September/October 2007, 89(5), pp. 371-414.

“Inflation’s Economic Cost: How Large? How Certain?” Federal Reserve Bank of St. Louis *The Regional Economist*, July 2006, pp. 4-9.

“The 1990s Acceleration in Labor Productivity: Causes and Measurement” with Kevin L. Kliesen, Federal Reserve Bank of St. Louis *Review*, May/June 2006, 88(3), pp. 181-202.

“Replicability, Real-Time Data, and the Science of Economic Research: FRED, ALFRED, and VDC,” Federal Reserve Bank of St. Louis *Review*, January/February 2006, 88(1), pp. 81-93.

“Revisions to User Costs for the Federal Reserve Bank of St. Louis Monetary Services Indices” with Jason Buol, Federal Reserve Bank of St. Louis *Review*, November/December 2005, 87(6), pp. 735-49.

“What Is Driving Oil Prices?” with Jason J. Buol, Federal Reserve Bank of St. Louis *The Regional Economist*, January 2005, pp. 10-11.

“Does Uncertainty about Oil Prices Slow Down the Economy?” with Michelle T. Meisch, Federal Reserve Bank of St. Louis *The Regional Economist*, October 2003, pp. 12-13.

“A Reconstruction of the Federal Reserve Bank of St. Louis Adjusted Monetary Base and Reserves” with Robert Rasche, and Jeffrey Loesel, Federal Reserve Bank of St. Louis *Review*, September/October 2003, 85(5), pp. 39-70.

“Retail Sweep Programs and Bank Reserves” with Robert Rasche, Federal Reserve Bank of St. Louis *Review*, January/February 2001, 83(1), pp. 51-72.

“Real Output in Switzerland: New Estimates for 1914-1947” with Felix Andrist and Marcela M. Williams, Federal Reserve Bank of St. Louis *Review*, May/June 2000, 82(3), pp. 43-70.

“Eighty Years of Observations on the Adjusted Monetary Base: 1918-1997” with Robert H. Rasche, Federal Reserve Bank of St. Louis *Review*, January/February 1999, 81(1), pp. 3-22.

“Introduction to the St. Louis Monetary Services Index Project” with Barry Jones and Travis Nesmith, Federal Reserve Bank of St. Louis *Review*, January/February 1997, 79(1), pp. 25-29.

“Monetary Aggregation Theory and Statistical Index Numbers” with Barry Jones and Travis Nesmith, Federal Reserve Bank of St. Louis *Review*, January/February 1997, 79(1), pp. 31-51. (externally refereed papers)

“Building New Monetary Services Indices: Concepts, Data and Methods” with Barry Jones and Travis Nesmith, Federal Reserve Bank of St. Louis *Review*, January/February 1997, 79(1), pp. 53-82.

“Measuring the Adjusted Monetary Base in an Era of Financial Change” with Robert H. Rasche, Federal Reserve Bank of St. Louis *Review*, November/December, 1996, 78(6), pp. 3-44.

“A Revised Measure of the St. Louis Adjusted Monetary Base” with Robert H. Rasche, Federal Reserve Bank of St. Louis *Review*, March/April 1996, 78(2), pp. 3-13.

“Replication and Scientific Standards in Applied Economics a Decade After the *Journal of Money, Credit and Banking* Project” with William G. Dewald, Federal Reserve Bank of St. Louis *Review*, November/December 1994, 76(6), pp. 79-83.

“A Historical Perspective on the Federal Reserve’s Monetary Aggregates: Definition, Construction and Targeting” with Kenneth Kavajecz, Federal Reserve Bank of St. Louis *Review*, March/April 1994, 76(2), pp. 1-66.

“The Effect of Mortgage Refinancing on Money Demand and the Monetary Aggregates,” Federal Reserve Bank of St. Louis *Review*, July/August 1993, 75(4), pp. 49-63.

Working Papers

“Does commonality in illiquidity matter to investors?” with Jane M. Binner, Björn Hagströmer, and Birger Nilsson, Federal Reserve Bank of St. Louis Working Paper 2013-020A, June 2013.

“Dynamics in Systematic Liquidity” with Björn Hagströmer, Jane M. Binner, and Birger Nilsson, Federal Reserve Bank of St. Louis Working Paper 2009-025A, May 2009.

“Offshoring, Economic Insecurity, and the Demand for Social Insurance” with Charles S. Gascon, Federal Reserve Bank of St. Louis Working Paper 2008-003A, January 2008.

“The Perils of Globalization: Offshoring and Economic Insecurity of the American Worker” with Charles S. Gascon, Federal Reserve Bank of St. Louis Working Paper 2007-004A, February 2007.

“Analysis of Panel Vector Error Correction Models Using Maximum Likelihood, the Bootstrap, and Canonical-Correlation Estimators” with Hailong Qian and Robert H. Rasche, Federal Reserve Bank of St. Louis Working Paper 2006-050A, August 2006.

“Productivity Measurement and Monetary Policymaking During the 1990s” with Kevin L. Kliesen, Federal Reserve Bank of St. Louis Working Paper 2005-067A, October 2005.

“Retail Deposit Sweep Programs: Issues for Measurement, Modeling and Analysis” Federal Reserve Bank of St. Louis Working Paper 2003-026A, September 2003.

“The Remarkable Stability of Monetary Base Velocity in the United States, 1919-1999” with Robert Rasche, Federal Reserve Bank of St. Louis Working Paper 2001-008A, 2001.

“The Domestic Adjusted Monetary Base” with Robert H. Rasche, Federal Reserve Bank of St. Louis Working Paper 2000-002A, January 2000.

Other Publications, Book Reviews, and Edited Volumes

“Monetary Base,” in William A. Darity, Jr., ed., *International Encyclopedia of the Social Sciences*, February 2008, Macmillan Reference USA.

“Monetary Aggregates” with M. D. Bordo and H. Rockoff, in Susan B. Carter, Scott Sigmund Gartner, Michael R. Haines, Alan L. Olmstead, Richard Sutch, and Gavin Wright, eds., *Historical Statistics of the United States, Earliest Times to the Present: Millennial Edition*, 2006, Cambridge University Press.

“Some Tables of Historical U.S. Currency and Monetary Aggregates Data,” content included in Susan B. Carter, Scott Sigmund Gartner, Michael R. Haines, Alan L. Olmstead, Richard Sutch, and Gavin Wright, eds., *Historical Statistics of the United States - Millennial Edition*, 2006, Cambridge University Press.

“Has the Long-Run Velocity of M2 Shifted? Evidence from the P* Model,” with Jeffrey J. Hallman, Federal Reserve Bank of Cleveland *Economic Review*, First Quarter 1993, 29(1).

“The GAUSS Programming System: A Review,” *Journal of Applied Econometrics*, 1991.

Book Review, *Large-Scale Macro-Econometric Models* (North-Holland), Kmenta and Ramsey, eds., *Journal of Money, Credit and Banking*, August 1984.

“Some Evidence on the Distribution of Elasticity Estimators in Translog Models” with J.G. Thursby, in *Proceedings of the Business and Economics Statistics Section*, American Statistical Association, 1983.

“A Model of Lifetime Earnings from the Social Security Continuous Work History Sample File” with Peter A. Diamond and Yves Balcer, in *Report of the Consultant Panel on Social Security*, Congressional Research Service, August 1976.

“Price-Level Adjusted Mortgages in Brazil” with Donald Lessard, in *New Mortgage Designs for Stable Housing in an Inflationary Environment*, Federal Reserve Bank of Boston Conference Series, January 1976, 14.