

## William R. Nelson

email (work) [bill.nelson@bpi.com](mailto:bill.nelson@bpi.com)  
email (personal) [william\\_r\\_nelson@icloud.com](mailto:william_r_nelson@icloud.com)  
<https://bpi.com/about-us/#modal-1285>  
mobile: +1.703.340.4542

### Education

Ph.D., Economics, Yale University, 1999  
M.S. and M.A., Economics, Yale University, 1989  
B.A., Arts and Sciences, University of Virginia, 1985

### Employment History

Current position (since Summer 2018): Chief Economist and Executive Managing Director, the Bank Policy Institute

#### Principal Responsibilities

- Contribute to and oversee research and analysis to support the advocacy of BPI on behalf of the owner banks.
- Conduct longer-term research on issues related to supervisory and regulatory policy, lender of last resort, and monetary policy.
- Organize and participate in academic conferences on issues related to supervisory and regulatory policy.
- Advise the BPI owner banks on monetary policy.

Spring 2016 – Summer 2018: Chief Economist, Head of Research, and Executive Managing Director, The Clearing House Association; Chief Economist, The Clearing House Payments Company

- The Clearing House Association became the Bank Policy Institute when it merged with the Financial Services Roundtable in Summer 2018. Responsibilities were unchanged.

Summer 2008 – Spring 2016: Officer (ending as Deputy Director) in the Division of Monetary Affairs, Board of Governors of the Federal Reserve.

#### Principal Responsibilities

- *Monetary Policy.* Oversee and participate in the preparation of documents related to monetary policy strategy for each FOMC meeting. Prepare research notes for and brief the FOMC on ad hoc monetary policy topics. Participate in ongoing staff work on potential post-normalization monetary policy frameworks. Co-Chair of the CGFS/MC working group on regulatory change and monetary policy.
- *Discount Window policy.* Helped design the post-Lehman emergency liquidity facilities. Board staff manager of the AMLF, CPFF, MMIFF, and TALF. Briefed the Board and FOMC on emergency

liquidity facilities. Meet with the press, Congress (including formal testimony), the GAO, and others to explain the Federal Reserve's provision of emergency liquidity during the crisis. Evaluate current risks to the financial system and consider any associated need for emergency liquidity. Chair of System committee evaluating ways to address discount window stigma.

- *Enhanced supervision.* Serve as liaison between the Division of Monetary Affairs and the Bank Supervision and Regulation Division and the Office of Financial Stability Policy and Research. Member of the Large Institution Supervision Coordinating Committee. Member of the Steering Committee over the Fed's annual large bank liquidity assessment. Chair or member of four BIS working groups on liquidity regulations.

2007 – Summer 2008: Bank for International Settlements (secondment)

- Senior economist in the Monetary Policy and Exchange Rate section. Summarized the activities of the BoJ and ECB for the BIS Annual Report. Arranged and led a workshop for central bank economists on how different central bank staffs prepare their forecasts and interact with their policymakers.
- Secretary for the CGFS working group on central bank operations in response to the financial turmoil.

2004 – 2007: Chief of the newly formed Monetary and Financial Stability section, Division of Monetary Affairs, Board of Governors of the Federal Reserve

- Determined the responsibilities and structure of the new section. Initiated, oversaw, and contributed to regular financial stability reports and briefings for the Board. Developed indicators of financial stress.

1998 – 2004 Senior Economist, Monetary and Financial Markets Analysis section, Division of Monetary Affairs, Board of Governors of the Federal Reserve

- Contributed to the 2003 overhaul of discount window operations, researched monetary policy rules, followed Treasury and interbank markets.

1993 – 2003 Economist, Banking Analysis section, Division of Monetary Affairs, Board of Governors of the Federal Reserve

- Conducted and analyzed results from the Senior Loan Officer Survey and Survey of Terms of Bank Lending. Developed the staff model used to forecast bank credit. Assessed the condition and profitability of the banking industry using bank balance sheet and income data. Evaluated the scope for monetary or credit variables to augment a standard Phillips curve.

## Presentations

[“Recognizing the value of the central bank as a liquidity backstop,”](#) seminar at the Norges Bank and Riksbank, June 2019, and Bank of England, June 2018.

[“Narrow banks are a problem of the Fed’s own making,”](#) Presentation at the American Enterprise Institute, 6 May 2019.

[Discussion of 3 papers on the impact of capital regulation on bank behavior and economic performance,”](#) Financial Stability: Markets and Spillovers, Office of Financial Stability and Federal Reserve Bank of Cleveland, 29-30 November 2018.

[“Implication of the LCR and leverage ratio requirements on money markets and the Fed’s framework, Symposium on Bank Funding Conditions,”](#) The Clearing House, 31 May 2018.

[“Get Up Off the Floor,”](#) Currencies, Capital, And Central Bank Balances: A Policy Conference, Hoover Institution, Stanford University, 4 May 2018.

[“Financial Stability and Monetary Issues Associated with Digital Currencies,”](#) Fintech-The Impact on Consumers, Banking, and Regulatory Policy, Federal Reserve Bank of Philadelphia, 28-29 September 2017.

[“In Defense of Going Home,”](#) New York Fed/Columbia SIPA, Monetary Policy Implementation Workshop, 11 July, 2017.

[“Connecting the dots: Market reactions to forecasts of policy rates and forward guidance provided by the Fed,”](#) Conference on the Future of Forward Guidance, Sveriges Riksbank, 11-12 May 2017.

[“Federal Reserve Monetary Policy Normalization,”](#) Workshop at De Nederlandsche Bank, 15 August, 2015.

[“Regulatory change and monetary policy,”](#) Conference on Financial Stability: Developments, Challenges, and Policy Responses, South African Reserve Bank, 23 November 2015.

[“Challenges associated with forward guidance,”](#) Conference on Forward Guidance and Communication about Unconventional Monetary Policy, De Nederlandsche Bank, 14 November 2014.

["Lessons from Lender of Last Resort Actions during the Crisis: The Federal Reserve Experience,"](#) Workshop at the Bank for International Settlements, 15 May 2014

## Publications

“The Fed’s Novel Lender-of-Last Resort Programs” in *First Responders: Inside the U.S. Strategy for Fighting the 2007–2009 Global Financial Crisis*, with Lorie Logan and Patrick Parkinson, edited by Ben S. Bernanke, Timothy F. Geithner, and Henry M. Paulson, Jr., with J. Nellie Liang. New Haven: Yale University Press, forthcoming.

“[Digital Currencies and Payments: Financial Stability and Monetary Policy Implications](#)”, *The Journal of Investing*, vol. 28, no. 3, April 2019.

“[Why Is LIBOR Being Replaced Rather Than Reformed?](#)”, BPI Research Note, 2 April 2019.

“[Understanding the Fed’s Implementation Framework Debate](#),” BPI Research Note, 26 November 2018.

“[A better way to combined stress test results](#),” BPI Research Note, with Rob Lindgren, 20 November 2018. (See also, “[An Even Better Way to Combine Stress Test Results](#),” BPI blog post, June 19, 2019).

“[Current Expected Credit Loss: Lessons from 2007-2009](#),” Staff Working Paper 2018-1, with Francisco Covas, Bank Policy Institute.

“[The Fed designed the GSIP Surcharge to Achieve a Flawed Objective](#),” TCH Research Note, April 2018.

“[Recognizing the value of the central bank as a liquidity backstop](#),” Staff Working Paper 2017-1, The Clearing House.

“[Connecting the dots: market reactions to forecasts of policy rates and forward guidance provided by the Fed](#),” with Michelle Bongard, Gabriele Galati, and Richhild Moessner DNB Working Paper 532, October 2016.

“[Liquidity and Leverage Regulation, Money Market Structure, and the Federal Reserve’s Monetary Policy Framework in the Longer Run](#),” TCH Research Note, September 2016.

“[Liquidity Regulations, the Neutral Real Federal Funds Rate, and the Money Premium](#),” TCH Research Note, August 2016.

“[Shortcomings of Leverage Ratio Requirements](#),” with Francisco Covas, TCH Research Note, August 2016.

“[The Net Stable Funding Ratio: Neither Necessary nor Harmless](#),” with Francisco Covas, TCH Research Note, July 2016.

“[Overview and Assessment of the Methodology Used to Calibrate the U.S. GSIB Capital Surcharge](#),” with Francisco Covas, TCH Research Note, May 2016.

“Idiosyncratic Shocks for Stress Test Scenarios,” with Francisco Covas, Burcu Duygan-Bump, Rochelle

Edge, Luca Guerrieri, and Egon Zakrajsek, manuscript, 2015.

["Why Do We Need Both Liquidity Regulations and a Lender of Last Resort? A Perspective from Federal Reserve Lending during the 2007-09 U.S. Financial Crisis,"](#) with Mark Carlson, and Burcu Duygan-Bump, Finance and Economics Discussion Series 2015-011. Washington: Board of Governors of the Federal Reserve System, 2015.

"The Demand for Short-Term, Safe Assets and Financial Stability: Some Evidence and Implications for Central Bank Policies," with Mark Carlson, Burcu Duygan-Bump, Fabio Natalucci, Marcelo Ochoa, Jeremy Stein, and Skander Van den Heuvel, *International Journal of Central Banking*, vol. 12, no. 4, pp. 307-333, 2014.

"Using Policy Intervention to Identify Financial Stress," With Mark Carlson and Kurt F. Lewis, *International Journal of Finance & Economics*, vol. 19, no. 1, pp. 59-72, 2014.

"Central Banks as Lenders of Last Resort: Experiences during the 2007-10 Crisis and Lessons for the Future," with Dietrich Domanski and Richhild Moessner, BIS Papers 79. Bank for International Settlements, Finance and Economics Discussion Series 2014-110. Board of Governors of the Federal Reserve System (U.S.), 2014.

"Lessons from Lender of Last Resort Actions during the Crisis: The Federal Reserve Experience," BIS Papers 79. Bank for International Settlements, 2014.

"Securitization Markets and Central Banking: An Evaluation of the Term Asset-Backed Securities Loan Facility," with Sean Campbell, Daniel Covitz, and Karen Pence, *Journal of Monetary Economics*, vol. 58, no. 5, pp. 518-531, 2011.

"Monetary Operations and the Financial Turmoil," with Claudio Borio, *BIS Quarterly Review*, March, pp. 31-46, 2008.

"Central Bank Policy Rate Guidance and Financial Market Functioning," with Richhild Moessner, *International Journal of Central Banking*, vol. 4, no. 4, pp. 193-226, 2008.

"Interpreting the Significance of the Lagged Interest Rate in Estimated Monetary Policy Rules," with William English and Brian P. Sack, *Contributions to Macroeconomics*, Vol. 3, no. 1, 2003.

"Proposed Revision to the Federal Reserve's Discount Window Lending Programs," with Brian Madigan, *Federal Reserve Bulletin*, vol. 88, no. 7, pp. 313-319, 2003.

"Criteria for Central Bank Assets: Lessons from Pre-ECB France," *Federal Reserve Bank of Boston New England Economic Review*, vol. 0, no. 0, pp. 33-34, 2002.

["Pragmatic Monitoring of Financial Stability,"](#) with Wayne Passmore, Paper Presented at BIS Autumn Meeting of Central Bank Economists, October 2000.

"Profits and Balance Sheet Developments at U.S. Commercial Banks in 1998," with Antulio Bomfim, *Federal Reserve Bulletin*, vol. 85, no. 6, pp. 369-395, 1999.

"Evidence of Excess Returns on Firms that Issue or Repurchase Equity," Finance and Economics Discussion Series 1999-06. Board of Governors of the Federal Reserve System (U.S.), 1999.

"The Aggregate Change in Shares and the Level of Stock Prices," Finance and Economics Discussion Series 1999-08. Board of Governors of the Federal Reserve System (U.S.), 1999.

"Why does the Change in Shares Predict Stock Returns?" Finance and Economics Discussion Series 1999-07. Board of Governors of the Federal Reserve System (U.S.), 1999.

"Recent Changes to the Federal Reserve's Survey of Terms of Business Lending," with Thomas F. Brady, and William B. English, Federal Reserve Bulletin, vol. 84, no. 8, pp. 604-615, 1998.

"Bank Risk Rating of Business Loans," with William B. English, Finance and Economics Discussion Series 1998-51. Board of Governors of the Federal Reserve System (U.S.), 1998.