



A CELEBRATION HONORING
John B. Taylor's
CONTRIBUTIONS TO ECONOMICS
AND MONETARY POLICY

$$r = p + .5y + .5(p - 2) + 2$$

Edited by _____
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Celebration in Honor of John Taylor, May 8, 2025; from left to right Condoleezza Rice, Jennifer Taylor Salcman, and John Taylor

Courtesy of the Hoover Institution

Remarks

Closing Remarks

Condoleezza Rice

The conference has been a wonderful tribute to our friend and colleague John Taylor. I hope, John, that you feel the tremendous respect, indeed, love, that we all have for you. First and foremost, we want to remember that John has touched so many lives. He has taught Economics 1, the Principles of Economics, and PhD courses in monetary economics at Stanford for several years and has touched many people's lives in this way.

John is the George P. Shultz Senior Fellow at the Hoover Institution, a title that could not be more fitting because of what George Shultz represents. Shultz was someone who, as an economist, had a tremendous impact on the academy through his work in labor economics and as dean of the University of Chicago Booth School of Business. He had a deep impact on the field, in government, and at the Hoover Institution.

It is hard to imagine the Hoover Institution without George Shultz, and it is equally difficult to imagine what the Hoover Institution would be without the contributions of John Taylor. John has contributed in extraordinary ways, from conducting the many monetary conferences, to creating and sustaining the Economic Policy Working Group; from organizing the numerous convenings for Hoover Institution supporters to nurturing Stanford students who perhaps just want to access a slightly different viewpoint at Stanford University.

John has been a stalwart of the Hoover Institution and remains so. It is my honor to thank you, John, for all you have done for the Hoover Institution, for Stanford, for our country, and for the world. I have also had the great pleasure, many times, of being welcomed into your home, whether in Washington, DC, or on the Stanford campus, and getting to know your wonderful family. I am honored to introduce John's daughter, Jen, to represent the family and say a few words.

John Taylor's Origin Story

Jennifer Taylor Salcman

It's impossible to express how sorry my mom is not to be here for this wonderful event celebrating my dad. Don't worry—she is going to be okay, she has a terrible cold and had to make the difficult decision this morning to stay home. Instead, I will attempt to fill in for her and deliver the remarks she had worked hard to prepare. Fortunately, she is able to watch the live stream. As I reflect on my dad's career today, I am reminded how supportive my mom was every step of the way. So thank you, Mom, for all your support of Dad.

It means so much to our family to know how many of you took the time to gather and honor his career. On her behalf—and mine—I want to thank John Cochrane and Michael Bordo for their tireless work organizing the conference and Marie-Christine Slakey, assistant extraordinaire, for the countless hours she put in to make it all happen. Thank you to Hoover and to everyone who contributed to creating such a thoughtful and engaging program.

As we looked through the agenda, we were struck by how well each session reflected my dad's deep love of economics and his unwavering belief in the power of public policy to improve people's lives. But in reviewing the program, my mom noticed one small omission—something only she could fill in, having been on this journey with him from the start: How exactly did he end up in this particular career? You're in luck, because she passed along the backstory for me to share with you today.

My dad started at Princeton planning to major in physics. I'm not sure what changed his mind (maybe his grades?), but he soon shifted to economics, where he truly thrived. His senior thesis won the Wolf Balleisen Memorial Prize in economics. He was fortunate to have E. Philip Howrey as his advisor, and after graduation, he worked for him as a research assistant. When Howrey asked about my dad's future plans and learned he was intending to go to Stanford Business School, he told him that was a mistake—he should

pursue a PhD instead. After some convincing, my dad changed course, and Howrey helped him land a spot in Stanford's Economics Department. We think it may have been the spot vacated by John Lipsky—who later became a very close friend—when he had to step away for military service in Iowa.

After finishing his PhD, my dad went on the job market and was hired by Columbia University as an associate professor of econometrics. He and my mom got married in December 1972 and moved to New York City. It turned out he was the only econometrician on campus that semester, as the senior professor, Phoebus Dhrymes, wasn't arriving until the fall. So my dad had to teach all levels of econometrics on his own. My mom remembers Thursdays as all-nighters, as he scrambled to stay one step ahead of the advanced students. To keep him going, she would bake him oatmeal cookies.

After that intense semester, he realized he didn't want to stay in econometrics—he wanted to be a macroeconomist. But the question was how to make the leap. Once again, a senior scholar stepped in—this time, Ned (Edmund) Phelps, who was working on sticky wages and prices. Together with Guillermo Calvo, they developed staggered contract models using rational expectations. My dad was initially unsure—this wasn't exactly mainstream macro at the time—but he found the work energizing, and that's how he made the transition.

Even as he dove into theory and modeling, my dad always had a strong desire to apply his work through policy. He truly believes that good economic policy can make a real difference in people's lives. His first experience in government was in 1976–77, when he took leave from Columbia to work at the Council of Economic Advisers. That's where he met Alan Greenspan, beginning a long and lasting friendship.

But it was when my parents moved to Stanford that policy roles became more accessible. Thanks to Michael Boskin, my dad became a member of the Council of Economic Advisers under George H. W. Bush, and later, George Shultz convinced him to serve as under secretary of the Treasury for international affairs, under George W. Bush. In those roles, he was finally able to directly influence national and international policymaking.

That's the story of how my dad's career evolved, how a few key words, from the right person at the right time—"Go get a PhD," "Work with me," "Come to Washington"—changed everything. From my mom's perspective, she would say the last fifty-two years have been quite a ride. Dad, congratulations on the extraordinary success of your career—and thank you for being the best kind of teacher and father: one who leads by example.

I love you and I am so very proud of you.

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Heartfelt Thanks

John B. Taylor

Thank you all for being here today. I want to begin by thanking Stanford University and the Hoover Institution. These places have been more than just where I've worked—they've been home. They've given me the freedom to follow ideas wherever they lead, the colleagues to challenge and inspire me, and the students who constantly remind me why this work matters. I can't imagine a more rewarding place to have spent my career.

A heartfelt thanks to Condoleezza Rice—Condi, your remarks mean a great deal to me. You've been a trusted colleague and friend, and I'm grateful for your support and for the wisdom you shared with everyone today. I also want to thank John Cochrane, Michael Bordo, and Marie-Christine Slakey—putting together a conference like this is no small task. Thank you for your vision and effort in organizing this event. It's humbling to see so many colleagues, friends, and family gather to reflect on the work I've been privileged to do.

Finally, and most importantly, thank you to my family. Your support, patience, and encouragement have been the foundation for everything I've been able to pursue throughout my career. Thank you all again for being here and for making this such a meaningful day.