



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

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

Edited by _____
MICHAEL D. BORDO AND JOHN H. COCHRANE

To John Taylor
April 29, 2025

Dear John,

John, policymakers around the world and the entire economics profession have benefited from your pathbreaking contributions. In the area of monetary policy, the Taylor rule has become an international benchmark in the practical analysis of central banks' interest rate policies. Since the mid-1990s, the prescriptions for the federal funds rate implied by versions of the Taylor rule have been a staple of the briefing materials that Federal Open Market Committee members receive at each meeting. A presentation of the Taylor rule's policy prescriptions appears in the Federal Reserve's Monetary Policy Report to Congress. You have been an active participant in discussions of current policy issues as an academic for over half a century.

I also applaud that you took time away from academia on multiple occasions to provide distinguished service in government, including at the Council of Economic Advisers and at the US Treasury. On behalf of the Federal Reserve, I'd like to thank you for your outstanding achievements in economic research, teaching, and public service. Congratulations on the recognition from your friends, students, and colleagues at the proceedings being held at the Hoover Institution this week.

On a personal note, I have both enjoyed and benefited from the many conversations we have had over the years.

Sincerely,
Jerome H. Powell
Chair
Board of Governors of the Federal
Reserve System