independence).

Cochrane is known in part for the “Grumpy Economist” economic and public policy news and views blog, which he created and named after his children used that description for him “after one too many rants at the dinner table.”

He’s also known for his fiscal and monetary policy research: In addition to his Stanford position, Cochrane is a research associate of the National Bureau of Economic Research (NBER) and an adjunct scholar of the CATO Institute.

Photos
John Cochrane, a senior fellow of the Hoover Institution at Stanford University, presented at the 2020 Homer Jones Memorial Lecture.

More about the Lecture Series
The St. Louis Fed's annual [Homer Jones Memorial Lecture](https://www.stlouisfed.org/homer-jones)honors those who exemplify the highest qualities of leadership in economics and public policy. Jones (1906-1986), longtime research director at the St. Louis Fed, played a major role in developing the Bank as a leader in monetary research and statistics.

- **February 28, 2020**. Presentation. "Coronavirus and the U.S. Economy," Fort Smith Regional Chamber of Commerce, Fort Smith, Ark.
  Presentation (pdf) (bullard_fort_smith_28_february_2020pdf) | Press Release | Photos.

Coronavirus and the U.S. Economy

February 28, 2020

[Presentation (pdf)](https://www.stlouisfed.org/-/media/project/frbstl/stlouisfed/files/pdfs/bullard/remarks/2020/bullard_fort_smith_28_february_2020.pdf)| [Press Release](https://www.stlouisfed.org/news-releases/2020/02/28/bullard-

discusses-coronavirus-us-economy)|
[Photos](https://www.stlouisfed.org#photos)

St. Louis Fed President James Bullard said the coronavirus may temporarily slow global economic growth, but the Federal Open Market Committee is in a good position because of previous policy rate cuts designed to insure the U.S. economy against adverse shocks. “Longer-term U.S. interest rates have been driven lower by a global flight to safety, likely benefiting the U.S. economy,” he said during a presentation to the Fort Smith Regional Chamber of Commerce in Fort Smith, Ark.

“Further policy rate cuts are a possibility if a global pandemic actually develops with health effects approaching the scale of ordinary influenza, but this is not the baseline case at this time,” he said.

The presentation was part of a two-day visit to the city in northwestern Arkansas, which is in the St. Louis Fed’s District.

As part of the visit, Bullard toured the U. S. Marshals Museum, which is scheduled to open in 2021. The museum will tell the history of the 230-year-old U.S. Marshals Service, the nation’s oldest federal law enforcement agency.

Bullard also visited ArcBest, a freight and logistics company, and met with members of the Fort Smith Regional Council, a group of area leaders who are focused on economic development.

Bullard meets regularly with business and civic groups in the four zones that make up the St. Louis Fed’s District to share insight on the U.S. economy, as well as gather views from Main Street. Fort Smith is in the Little Rock Zone.

Photos:

On Friday, Feb. 28, 2020, St. Louis Fed President James Bullard discussed the effect of the new coronavirus on the global and U.S. economies during a presentation to the Fort Smith Regional Chamber of Commerce, in Fort Smith, Ark. Speaking at events like this is part of the St. Louis Fed’s ongoing transparency and outreach efforts across its seven-state Federal Reserve District. [Download High Resolution Photo](https://www.stlouisfed.org/-/media/project/frbstl/stlouisfed/images/bullard/photos/2020/fort-smith-tour/gallery/bullard_podium_fort_smith.jpg)

St. Louis Fed President James Bullard (center) on Friday, Feb. 28, 2020, talked with Fort Smith, Ark., Mayor George McGill (left) and Tim Allen, president and CEO of the Fort Smith Regional Chamber of Commerce. Bullard gave a presentation to the chamber during a two-day visit to the northwestern Arkansas city. Bullard meets regularly with groups throughout the St. Louis Fed's District to share insight on the U.S. economy, as well as gather views from Main Street. [Download High Resolution Photo](https://www.stlouisfed.org/-/media/project/frbstl/stlouisfed/images/bullard/photos/2020/fort-smith-tour/gallery/bullard_mcgill_allen.jpg)

St. Louis Fed President James Bullard (center), toured the United States Marshals Museum in Fort Smith, Ark., on Feb. 27, 2020. Set to open in 2021, the museum will tell the history of the 230-year-old U.S. Marshals Service, the nation's oldest federal law enforcement agency. Patrick Weeks, president and CEO of the museum, and Alice Alt, president of the museum foundation, joined Bullard in the museum. The tour was part of a two-day visit to the northwestern Arkansas city, which is in the St. Louis Fed's District. Bullard regularly visits communities like Fort Smith to interact with local business and civic leaders and better understand local economic conditions. [Download High Resolution Photo](https://www.stlouisfed.org/-/media/project/frbstl/stlouisfed/images/bullard/photos/2020/fort-smith-tour/gallery/bullard_weeks_alt.jpg)

On Feb. 27, 2020, St. Louis Fed President James Bullard (far left) met with members of the Fort Smith Regional Council, a group of area leaders who are focused on economic development in the region that includes the northwestern Arkansas city. Meeting with Bullard were, from left, Jim Walcott, executive chairman of custom printing company Weldon, Williams and Lick; Roger Holroyd, president of Arvest Bank in Fort Smith; Kyle Parker, CEO of the Arkansas Colleges of Health Education; Terisa Riley, chancellor of the University of Arkansas-Fort Smith; and Samuel Sicard, president and CEO of the First National Bank of Fort Smith. Interacting with local business and civic leaders in communities like Fort Smith gives Bullard a better understanding of the economic dynamism in the Eighth District. [Download High Resolution Photo](https://www.stlouisfed.org/-/media/project/frbstl/stlouisfed/images/bullard/photos/2020/fort-smith-tour/gallery/bullard_fort_smith_regional_council.jpg)

St. Louis Fed's Bullard Discusses Coronavirus and the U.S. Economy

FORT SMITH, Ark. –Federal Reserve Bank of St. Louis President James Bullard presented " [Coronavirus and the U.S. Economy](https://www.stlouisfed.org/-/media/project/frbstl/stlouisfed/files/pdfs/bullard/remarks/2020/bullard_fort_smith_28_february_2020.pdf)" to the Fort Smith Regional Chamber of Commerce on Friday.

Bullard noted that coronavirus (COVID-19) cases appear to be stabilizing in China, with additional cases being reported globally. Global economic growth is likely to slow temporarily, with much of the slowdown centered in Asia, he explained.

Bullard noted during his presentation that the Federal Open Market Committee (FOMC) is in a good position because of previous policy rate cuts designed to insure the economy against adverse shocks. "Longer-term U.S. interest rates have been driven lower by a global flight to safety, likely benefiting the U.S. economy," he added.

"Further policy rate cuts are a possibility if a global pandemic actually develops with health effects approaching the scale of ordinary influenza, but this is not the baseline case at this time," he said.

Temporary Slowdown in Global Growth
The coronavirus is an "unfolding human tragedy," and data related to the outbreak are fast moving and subject to revision, Bullard noted. He pointed out that confirmed cases in China seem to be growing at a slower rate and that other countries have reported new cases in recent days.

He noted that there is likely to be a noticeable impact on China's first-quarter GDP growth due to the coronavirus. Other countries may also be impacted directly by the virus, but these effects will likely be on a smaller scale, Bullard added.

"Temporary disruptions to global supply chains are likely to have ripple effects across the global economy," he said.

The FOMC Is in a Good Position

Bullard then discussed insurance policy rate cuts already in place: "The FOMC executed a marked turnaround in U.S. monetary policy during 2019 that was designed in part to insure the economy against possible negative shocks to growth."

He added, "This has put the FOMC in a good position in early 2020 as we closely monitor the evolving coronavirus impact on the global economy."

Policy rate decreases have an effect on the U.S. economy with a lag, Bullard noted, so last year's rate reductions are likely to continue to have an influence as the coronavirus tragedy unfolds.

Bullard has previously argued that the adjustment to monetary policy during 2019 was much larger than commonly appreciated. He pointed out that the change in monetary policy contributed to a reduction of 165 basis points in the 2-year Treasury yield from Nov. 8, 2018, to Jan. 31, 2020.

Financial Market Impact

Bullard noted that the coronavirus also has been associated with a global flight to safety, pushing longer-term U.S. yields to exceptionally low levels. "This is a bullish factor for U.S. economic growth above and beyond the declines in yields associated with the 2019 change in direction for U.S. monetary policy," he said.

"Experience with previous viral outbreaks suggests that the effects on U.S. interest rates are tangible and last until the outbreak is clearly contained," he said.

Bullard also addressed the impact on equity markets, noting that U.S. equity valuations have declined in recent trading due in part to speculation on the impact of the coronavirus on global macroeconomic conditions. He added that some firms' profitability will be directly impacted by the effects of the virus on China and other countries.

However, even with recent declines in equity prices, the value of the U.S. publicly traded corporate sector has increased at an annual rate of about 4.7% over the last two years, Bullard explained.

More Severe Scenarios
Bullard then discussed the impact of more severe scenarios involving the outbreak. While the risk remains small as of today, investors and policymakers are wise to worry about the possibility of a global pandemic, Bullard noted. "This is not what has happened with many other viral outbreaks, but each situation is somewhat different," he said.

Bullard concluded, "In my view, further policy rate cuts are a possibility if a global pandemic actually develops with health effects approaching the scale of ordinary influenza, but this is not the baseline case at this time."

Contact Us
• Laura Girresch 314-444-6166
• Anthony Kiekow 314-949-9739
• Shera Dalin 314-444-3911
• Tim Lloyd 314-444-6829

Coronavirus and the U.S. Economy

February 28, 2020

[Presentation (pdf)](https://www.stlouisfed.org/-/media/project/frbstl/stlouisfed/files/pdfs/bullard/remarks/2020/bullard_fort_smith_28_february_2020.pdf)| [Press Release](https://www.stlouisfed.org/news-releases/2020/02/28/bullard-

discusses-coronavirus-us-economy)|
[Photos](https://www.stlouisfed.org#photos)

St. Louis Fed President James Bullard said the coronavirus may temporarily slow global economic growth, but the Federal Open Market Committee is in a good position because of previous policy rate cuts designed to insure the U.S. economy against adverse shocks. “Longer-term U.S. interest rates have been driven lower by a global flight to safety, likely benefiting the U.S. economy,” he said during a presentation to the Fort Smith Regional Chamber of Commerce in Fort Smith, Ark.

“Further policy rate cuts are a possibility if a global pandemic actually develops with health effects approaching the scale of ordinary influenza, but this is not the baseline case at this time,” he said.

The presentation was part of a two-day visit to the city in northwestern Arkansas, which is in the St. Louis Fed’s District.

As part of the visit, Bullard toured the U. S. Marshals Museum, which is scheduled to open in 2021. The museum will tell the history of the 230-year-old U.S. Marshals Service, the nation’s oldest federal law enforcement agency.

Bullard also visited ArcBest, a freight and logistics company, and met with members of the Fort Smith Regional Council, a group of area leaders who are focused on economic development.

Bullard meets regularly with business and civic groups in the four zones that make up the St. Louis Fed’s District to share insight on the U.S. economy, as well as gather views from Main Street. Fort Smith is in the Little Rock Zone.

Photos:

On Friday, Feb. 28, 2020, St. Louis Fed President James Bullard discussed the effect of the new coronavirus on the global and U.S. economies during a presentation to the Fort Smith Regional Chamber of Commerce, in Fort Smith, Ark. Speaking at events like this is part of the St. Louis Fed’s ongoing transparency and outreach efforts across its seven-state Federal Reserve District. [Download High Resolution Photo](https://www.stlouisfed.org/-/media/project/frbstl/stlouisfed/images/bullard/photos/2020/fort-smith-tour/gallery/bullard_podium_fort_smith.jpg)

St. Louis Fed President James Bullard (center) on Friday, Feb. 28, 2020, talked with Fort Smith, Ark., Mayor George McGill (left) and Tim Allen, president and CEO of the Fort Smith Regional Chamber of Commerce. Bullard gave a presentation to the chamber during a two-day visit to the northwestern Arkansas city. Bullard meets regularly with groups throughout the St. Louis Fed's District to share insight on the U.S. economy, as well as gather views from Main Street. [Download High Resolution Photo](https://www.stlouisfed.org/-/media/project/frbstl/stlouisfed/images/bullard/photos/2020/fort-smith-tour/gallery/bullard_mcgill_allen.jpg)

St. Louis Fed President James Bullard (center), toured the United States Marshals Museum in Fort Smith, Ark., on Feb. 27, 2020. Set to open in 2021, the museum will tell the history of the 230-year-old U.S. Marshals Service, the nation's oldest federal law enforcement agency. Patrick Weeks, president and CEO of the museum, and Alice Alt, president of the museum foundation, joined Bullard in the museum. The tour was part of a two-day visit to the northwestern Arkansas city, which is in the St. Louis Fed's District. Bullard regularly visits communities like Fort Smith to interact with local business and civic leaders and better understand local economic conditions. [Download High Resolution Photo](https://www.stlouisfed.org/-/media/project/frbstl/stlouisfed/images/bullard/photos/2020/fort-smith-tour/gallery/bullard_weeks_alt.jpg)

On Feb. 27, 2020, St. Louis Fed President James Bullard (far left) met with members of the Fort Smith Regional Council, a group of area leaders who are focused on economic development in the region that includes the northwestern Arkansas city. Meeting with Bullard were, from left, Jim Walcott, executive chairman of custom printing company Weldon, Williams and Lick; Roger Holroyd, president of Arvest Bank in Fort Smith; Kyle Parker, CEO of the Arkansas Colleges of Health Education; Terisa Riley, chancellor of the University of Arkansas-Fort Smith; and Samuel Sicard, president and CEO of the First National Bank of Fort Smith. Interacting with local business and civic leaders in communities like Fort Smith gives Bullard a better understanding of the economic dynamism in the Eighth District. [Download High Resolution Photo](https://www.stlouisfed.org/-/media/project/frbstl/stlouisfed/images/bullard/photos/2020/fort-smith-tour/gallery/bullard_fort_smith_regional_council.jpg)

- **February 22, 2020**. Presentation. "Classic Policy Benchmarks for Economies with Substantial Inequality," Bruce Smith Memorial Conference, UT Austin, Austin, Texas.
  Presentation (pdf) (bullard_dicecio_bruce_smith_memorial_22_feb_2020pdf).

  Classic Policy Benchmarks for Economies with Substantial Inequality

  November 22, 2022

  Presented during a policy panel at the XXV Annual Conference of the Central Bank of Chile, Heterogeneity in Macroeconomics: Implications for Monetary Policy.

  [Watch the November 22, 2022, presentation and panel discussion](https://www.stlouisfed.org/from-the-president/speeches-and-presentations/2022/policy-panel-central-bank-chile-conference).

  October 15, 2021

  Presented at the Fall 2021 Institute Research Conference, Opportunity & Inclusive Growth Institute, Federal Reserve Bank of Minneapolis.

  March 23, 2021

  Presented at the Central Banking Series: Perspectives Across the Atlantic, LSE Students’ Union Central Banking Society, London School of Economics and Political Science.

  [Watch the March 23, 2021, presentation.](https://fb.watch/4pN8OG8wBg/)