

**Michael U. Krause, Ph.D.**

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Center for Macroeconomic Research  
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**Professional**

Professor of Macroeconomics (W3), Department of Economics,  
Cologne University, since December 2013

Senior Research Economist, Deutsche Bundesbank, April 2005 to  
November 2013

Assistant Professor, Department of Economics, Tilburg University,  
September 1999 to March 2005

Visiting Assistant Professor, Department of Economics, The Johns  
Hopkins University, Baltimore, U.S.A. (Fall Semester 2003)

Visitor at Federal Reserve Banks of Kansas City and of Richmond,  
at University of Tokyo, Tel Aviv University, and City University  
of Hong Kong

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**Academic Education**

**Yale University**, Department of Economics, New Haven, CT  
Ph.D. May 2000, Dissertation title: "Inter-Industry Wage  
Differentials and the Creation and Destruction of Jobs"

M.Phil., May 1998; M.A., December 1996

**Bonn University**, Germany  
Diplom-Volkwirt (M.A.), September 1994

**University of California at Berkeley**, 1992-1993,  
Graduate course work at the Department of Economics, stipend  
awarded by the DAAD (German Academic Exchange Service)

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**Research Interests** Business Cycle Macroeconomics  
Monetary and Fiscal Policy  
Labor Markets and Unemployment

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**Refereed publications**

“Public Debt and Changing Inflation Targets” (2015, with Stephane Moyen, Deutsche Bundesbank), Deutsche Bundesbank Discussion Paper 06/2013, forthcoming *American Economic Journal: Macroeconomics*

“Transitions in the German Labor Market: Structure and Crisis” (2012, with Harald Uhlig, University of Chicago). *Journal of Monetary Economics* 59(1), 64-79

“Trend Growth Expectations and U.S. House Prices Before and After the Crisis” (2012, with Mathias Hoffmann, Deutsche Bundesbank, and Thomas Laubach, Federal Reserve Board), *Journal of Economic Behavior and Organization*, also as Deutsche Bundesbank Discussion Paper 12/2012

“Some Macroeconomic and Monetary Policy Implications of New Micro Evidence on Wage Dynamics”, (2010, with G. De Walque, J. Jimeno, H. Le Bihan, S. Millard, F. Smets), *Journal of the European Economic Association* 8(2-3), 506-513

“Inflation Dynamics with Search Frictions: A Structural Econometric Analysis” (2008, with David Lopez-Salido, Federal Reserve Board, and Thomas A. Lubik, Federal Reserve Bank of Richmond), *Journal of Monetary Economics* 55, 892-916

“Do Search Frictions Matter for Inflation Dynamics?” (2008, with David Lopez-Salido, Federal Reserve Board, and Thomas A. Lubik, Federal Reserve Bank of Richmond), *European Economic Review* 52, 1464-1479

“The (Ir)relevance of Real Wage Rigidity in the New Keynesian Model with Search Frictions” (2007, with Thomas A. Lubik, Federal Reserve Bank of Richmond), *Journal of Monetary Economics* 54, 706-727

“The Cyclical Upgrading of Labor and On-the-Job Search” (2006, with Thomas A. Lubik, Federal Reserve Bank of Richmond), *Labour Economics* 13(4), 459-77

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### **Non-refereed publications**

“Does Intra-Firm Bargaining Matter for Business Cycle Dynamics?” (2013, with Thomas Lubik, Richmond Fed), *Federal Reserve Bank of Richmond Economic Quarterly* 99(3), 229-250

“Instability and Indeterminacy in Search and Matching Models” (2010; with Thomas A. Lubik, Richmond Fed), *Federal Reserve Bank of Richmond Economic Quarterly* 96(3), 259-272

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### **Working papers**

“International Capital Flows, External Assets, and Output Volatility (2014, with Mathias Hoffmann and Peter Tillmann), Deutsche Bundesbank Discussion Paper 30/2014, revise and resubmit, *Journal of International Economics*

“Modeling Labor Markets in Macroeconomics: Search and Matching” (2014, with Thomas A. Lubik, Richmond Fed), Federal Reserve Bank of Richmond Working Paper 14/19

“The Expectation-driven U.S. Current Account Imbalance” (2013, with Mathias Hoffmann, Deutsche Bundesbank, and Thomas Laubach, Federal Reserve Board), Deutsche Bundesbank Discussion Paper 10/2013, revise and resubmit, *The Economic Journal*

“Long-run Growth Expectations and Global ‘Imbalances’” (2011, with Mathias Hoffmann, Deutsche Bundesbank, and Thomas Laubach, Goethe University, Frankfurt), Deutsche Bundesbank Discussion Paper 01/2011

“On-the-job Search and the Cyclical Dynamics of the Labor Market” (2009; with Thomas A. Lubik, Fed Richmond), Bundesbank Discussion Paper 15/2007

“Real Wage Rigidity and Optimal Monetary Policy” (2006, with Wolfgang Lemke, Deutsche Bundesbank), mimeo

“Optimal Monetary Policy Responses to Changes in Distortionary Taxation” (2006, with Wolfgang Lemke, Deutsche Bundesbank), mimeo

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**Work in Progress** “On Forward Guidance at the Zero-Lower Bound”, with Xavier Fairise and Stephane Moyen, Deutsche Bundesbank

“Labor Market Dynamics in Europe and the United States”, with Istvan Konya, Central European University and Institute of Economics, Budapest.

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**Policy work** “DSGE Model for Germany in the Euro Area” Deutsche Bundesbank (with Mathias Hoffmann, Martin Kliem, Stephane Moyen)

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### Teaching experience

**Graduate** Macroeconomics (Master), University of Cologne  
Macroeconomics of Labor Markets (Master), Cologne University  
Monetary Policy and the Crisis, Cologne and Hong Kong

Macroeconomics (first-year, PhD Programme, CentER Graduate School, Tilburg University) Fall 2000, 2001, 2002  
Master's Level Mini-Course, Tel Aviv University, April 2009

**Undergraduate** Cologne University  
Labor Economics  
Arbeitsmarktpolitik

The Johns Hopkins University  
Elements of Macroeconomics (first-year), Fall 2003

Tilburg University  
Introduction to Macroeconomics: Spring 2000, 2001, 2002, Fall 2002, 2004: Best Teacher Award in 2001  
Financial Economics: Fall 2002, Spring 2003, 2004, 2005  
Monetary Economics: Fall 2000, 2001  
International Economics, Trade: Spring 2004

Goethe University, Frankfurt:  
Globalization, Labor Markets, and Economic Fluctuations,  
Winter Semester 2009/2010, Third-year course

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### **Presentations and selected discussions**

- 2016 Institute of Economics, Budapest
- 2015 Oxford University; Geldpolitischer Ausschuss des Vereins für Socialpolitik; Discussant at European Commission Conference
- 2014 Verein für Socialpolitik, Hamburg; SNB Conference on Open Economy Issues after the Crisis, Zürich.
- 2013 Verein für Socialpolitik, Düsseldorf; Makroökonomischer Ausschuss des Vereins für Socialpolitik; University of Hamburg
- 2012 European Economic Association Annual Conference, Malaga, Spain (Organizer of and presenter at Bundesbank Special Contributed Session on “Expectations and Fluctuations”); SCE Conference on Computing in Economics and Finance, Prague; SEEK Conference “News, Sentiment and Confidence in Fluctuations”, University of Mannheim
- 2011 ECB/CEPR Labour Market Workshop on “Labour Market Policies and the Crisis”; ECB Conference “Information, Beliefs, and Economic Policy”; Carnegie-Rochester-NYU Conference on Public Policy, New York; European Economic Association Annual Conference, Oslo (Organizer of and presenter at Bundesbank Session of Sovereign Debt); Bundesbank Spring Conference; Workshop of OeNB-SNB-Buba in Brunnen; University of Nürnberg/IAB; Discussant at EES Workshop of IAB, Nürnberg; University of Konstanz; Bundesbank internal seminar.
- 2010 European Economic Association Annual Conference, Glasgow; Humboldt University, Berlin; EALE/SOLE World Congress, London; Society for Economic Dynamics Conference, Montreal; SCE Conference on Computing in Economics and Finance, London; Jahrestagung Verein für Socialpolitik, Kiel; Federal Reserve Bank of Richmond, Baltimore, U.S.A.; Bundesbank Spring Conference; Bundesbank-ECB-CfS JLS Special Event.

- 2009 Sveriges Riksbank, Stockholm; Norges Bank, Oslo; Tel Aviv University; University of Cyprus; University of Würzburg; Labor Market Workshop of the ECB
- 2008 Discussant of Mark Gertler, Bank of Japan Conference on New Developments in Monetary Economics; Hungarian Central Bank; ECB Wage Dynamics Network Conference; Freie Universität Berlin; Discussant at Fifth Conference of the International Research Forum on Monetary Policy, Frankfurt; Bocconi University; Banco Espana, Madrid
- 2007 Bank of Japan; University of Tokyo; Bank de France; Society for Computational Economics Conference, Montreal; Discussant at Bundesbank-Federal Reserve Bank of Cleveland Joint Conference; Econometric Society Meetings, Duke University, Durham; European Economic Association, Budapest, Conference on Research Frontiers in Economics, University of Louvain
- 2006 ECB/CEPR Workshop ‘Wage and Labour Costs Dynamics’; Discussant at National Bank of Belgium Conference on ‘Wage and Price Rigidities in an Open Economy’; Society for Computational Economics Conference, Cyprus; European Central Bank; Deutsche Bundesbank; ÖNB-SNB-Bundesbank Workshop, Eltville; Institut für Weltwirtschaft, Kiel
- 2005 DIW, Berlin; Society of Economic Dynamics World Conference, Budapest; Econometric Society World Congress, London; The Johns Hopkins University
- 2004 European Central Bank, Frankfurt; University of Sankt Gallen; Humboldt University, Berlin; University of Frankfurt; Tilburg University; North American Summer Meetings of the Econometric Society, Providence; Dutch Central Bank (DNB); Society for Computational Economics Conference, Amsterdam; EEA/ESEM Meetings, Madrid; EALE Meetings in Lisbon; Jahrestagung des Vereins für Socialpolitik, Dresden; Deutsche Bundesbank, Frankfurt; Jahrestreffen Deutscher Wirtschaftswissenschaftler im Ausland, Bielefeld
- 2003 Iowa State University; European Commission, DG Financial and Economic Affairs; Summer Meetings of the Econometric Society, Evanston; European Economics and Finance Society, Bologna
- 2002 Tilburg University; The Johns Hopkins University, Baltimore
- 2001 European University Institute; Wissenschaftszentrum Berlin

2000 EALE/Sole World Conference, Milan (also as discussant);  
CentER, Tilburg; Tinbergen Institute, Amsterdam; OSA Center for  
Labor Studies, Tilburg

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### **Professional Activities**

Referee for American Economic Review; American Economic  
Journal: Macroeconomics; B.E. Press Journals in  
Macroeconomics; European Economic Review; Journal of Applied  
Econometrics; Journal of Economic Dynamics and Control; The  
Economic Journal; Journal of the European Economic Association;  
Journal of International Economics; Journal of Macroeconomics;  
Journal of Monetary Economics; Journal of Money, Credit, and  
Banking; Journal of Political Economy; Labour; Labour  
Economics; Macroeconomic Dynamics; Review of Economics and  
Statistics; Scandinavian Journal of Economics; Oxford Economic  
Papers; Review of Economic Dynamics;  
Discussion Paper Series of the Bundesbank, Banco d'España,  
European Central Bank, and of the Bank of England; Bureau of  
Economic Analysis (CPB, Netherlands)

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### **Departmental Service at Tilburg University**

Junior faculty recruitment committee (1999, 2000, 2002)  
Member of Research Group Macroeconomics  
Member of CentER for Labor Economics

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### **Other Experience**

Research assistant for Robert J. Shiller: Questionnaire survey  
design and management in Germany for “Why do People Dislike  
Inflation?” in: Romer, D., and Romer C., eds. (1996): *Reducing  
Inflation: Motivation and Strategy*, Chicago University Press.  
(A comparative survey of inflation attitudes in the U.S.A. and  
Germany)