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The University of Akron
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EXPERIENCE

The University of Akron, College of Business Administration: Professor and Finance Chair, 08/2012 – present

Federal Reserve Bank of Cleveland. Research Department: Vice President and Financial Economist, 01/2010 – 08/2012 and 07/1998 – 08/2007; Assistant Vice President and Financial Economist, 01/1989 – 09/1995; Senior Financial Economist and Unit Head, 01/1988 – 12/1988; Financial Economist, 05/1986 – 12/1987. Office of Policy Analysis: Vice President and Head, 09/2007 – 12/2009. Federal Reserve Financial Services Policy Committee: Vice President and Director of Financial Services Research, 10/1995 – 06/1998

United States General Accounting Office. Financial Economist, 11/1984 – 05/1986

Cleveland State University, Economics Department: Lecturer, 09/1987 – 07/2012

Kent State University, Graduate School of Management: Lecturer, 09/2009 – 03/2012

Case Western Reserve University, Weatherhead School of Management: Lecturer, 09/1994 – 12/2010

EDUCATION

The Ohio State University: PhD and MA in Economics

The Georgia Institute of Technology: BS in Economics with High Honors

PROFESSIONAL AFFILIATIONS

American Finance Association, Financial Management Association, Association for Banking and Finance

RESEARCH INTERESTS

Financial Markets and Institutions, Historical Banking, Federal Deposit Insurance, Bank Structure and Capital Regulation, Government-Sponsored Enterprises, Small Business Lending, Credit Spreads, Financial Stability, Law and Economics

PROFESSIONAL ACTIVITIES AND AWARDS

Ad hoc referee for the *American Economic Review, Journal of Banking and Finance; Journal of Business, Journal of Economics and Business, Journal of Financial Intermediation, Journal of Financial Services Research; Journal of Money, Credit, and Banking, Journal of Monetary Economics, Journal of Political Economy, Small Business Economics,* and *Risk Magazine*.

Editorial Board for *Banks and Bank Systems* (9/06 to present)

Editorial Board for *ForeFront* (6/09 to 08/2012)

Editor of the Federal Reserve Bank of Cleveland *Economic Commentary* (1/93 to 9/95 and 3/10 to 08/2012)

Federal Reserve Bank of Cleveland Senior Policy Committee (10/07 to 12/09)

Advisory Committee for the Federal Reserve Bank of Cleveland's Money Museum and Learning Center (12/05 to 12/09)

Executive Program Committee and Co-Track Chair for the special session on Banking and Financial Institutions, 2008 Midwest Finance Association Meetings

Federal Reserve System Information Technology Cost Accounting Project (05/06 to 11/07)

Editor of the Federal Reserve Bank of Cleveland Working Papers (7/03 to 8/07)

Editor of the Federal Reserve Bank of Cleveland Policy Discussion Papers (7/03 to 8/07)

Coeditor of the Federal Reserve Bank of Cleveland *Economic Commentary* (1/02 to 6/04 and 6/05 to 8/07)

Fellow, Federal Deposit Insurance Corporation Center for Financial Research (3/04 to 12/05)

Executive Committee for the Special Issue of the *Journal of Small Business Management on* Small Enterprise Finance, Governance, and Imperfect Capital Markets (April 2005)

Chairman, Federal Reserve Bank of Cleveland Strategic Planning Implementation Team (1/01 to 6/01)

Chairman, Federal Reserve Bank of Cleveland Strategic Planning Team (1/00 to 12/00)

Program Committee for the 1999 Financial Management Association Meetings

Program Committee for the 1999 Eastern Finance Association Meetings

Program Committee for the 1995 Financial Management Association Meetings

Associate Editor, *Journal of Business Research* (9/94 to 4/95)

Coeditor, special issue of *Journal of Money, Credit and Banking* on "Federal Credit Allocation," August 1994 (Pt. 2)

Editor of the Federal Reserve Bank of Cleveland *Economic Review* (8/91 to 12/92)

1991 Eastern Finance Association Award for *Outstanding Paper in Financial Institutions* for "Optimal Financial Structure and Bank Capital Requirements: An Empirical Investigation."

Program Committee for the 1990 Eastern Finance Association Meetings

Outstanding Achievement Award, General Government Division, United States General Accounting Office, October 1985

PUBLICATIONS

Economics and Finance Journals

The Importance of financial market development on the relationship between loan guarantees for SMEs and local market employment rates (with C. Armstrong, B. Craig and W. Jackson III) *Journal of Small Business Management* (2012 -- forthcoming).

Predicting Credit Spreads (with C. N. V. Krishnan and P. Ritchken), *Journal of Financial Intermediation 19* (October 2010) 529–563.

The Economic Impact of the Small Business Administration's Intervention in the Small Firm Credit Market: A Review of the Research Literature, (with B. Craig and W. Jackson III) *Journal of Small Business Management 47* (April 2009), 221 – 231.

On Umbrella Supervision and the Role of the Central Bank (with J. Haubrich), *Journal of Bank Regulation 10* (November 2008), 17-27.

Credit Market Failure Intervention: Do Government Sponsored Small Business Credit Programs enrich poorer areas? (with B. Craig and W. Jackson III) *Small Business Economics 30* (April 2008), 345-360.

SBA-Loan Guarantees and Local Economic Growth (with B. Craig and W. Jackson III), *Journal of Small Business Management 45* (January 2007), 116-132.

On Credit Spread Slopes and Predicting Bank Risk (with C. N. V. Krishnan and P. Ritchken), *Journal of Money, Credit and Banking* 38 (September 2006), 1545-1574.

Monitoring and Controlling Bank Risk: Does Risky Debt Serve any Purpose? (with C.N.V. Krishnan and P. Ritchken), *Journal of Finance* 60 (February 2005), 343-378.

Getting the Most Out of a Mandatory Subordinated Debt Requirement (with R. Fan, J. Haubrich, and P. Ritchken), *Journal of Financial Services Research* 24 (October/December 2003), 149-179.

Federal Home Loan Bank Lending To Community Banks: Are Targeted Subsidies Desirable? (with B. Craig), *Journal of Financial Services Research* 23:1 (2003), 5-28.

The Role of Central Banks in Money and Payments Systems, *Journal of Money, Credit and Banking* 31 (August 1999, part 2), 677-681.

Optimal Financial Structure and Bank Capital Requirements: An Empirical Investigation, (with W. Osterberg) *Journal of Financial Services Research* 10 (December 1996), 315-332.

Loan Sales, Implicit Contracts, and Bank Structure, (with J. Haubrich) *Review of Quantitative Finance and Accounting* 7 (September 1996), 140-162.

Capital Forbearance and Thrifts: Examining the Costs of Regulatory Gambling, (with R. DeGennaro) *Journal of Financial Services Research* 10 (September 1996), 199-211.

Anticipating Bailouts: The Incentive-Conflict Model and the Collapse of the Ohio Deposit Guarantee Fund, (with R. DeGennaro) *Journal of Banking and Finance* 19 (November 1995), 1401-1418.

On Flexibility, Capital Structure and Investment Decisions for the Insured Bank, (with P. Ritchken, R. DeGennaro, and A. Li) *Journal of Banking and Finance* 17 (December 1993), 1133-1146.

Troubled Savings and Loan Institutions: Turnaround Strategies Under Insolvency, (with R. DeGennaro and L. Lang) *Financial Management* 22 (Autumn 1993), 163-175.

Modeling the Bank Regulator's Closure Option: A Two-Step Logit Regression Approach, *Journal of Financial Services Research* 6 (1992), 5-23.

The Effect of Subordinated Debt and Surety Bonds on the Cost of Capital for Banks and on the Value of Federal Deposit Insurance, (with W. Osterberg) *Journal of Banking and Finance* 15 (September 1991), 939-953.

Errors in Recorded Security Prices and the Turn-of-the-Year Effect, *Journal of Financial and Quantitative Analysis* 24 (December 1989), 513-526.

The Use of Market Information in Pricing Deposit Insurance, *Journal of Money, Credit and Banking* 19 (November 1987), 528-537.

Other Journals

Public Policy in Support of Small Business: The American Experience (with B. Craig and W. Jackson III), *Entrepreneurial Business Law Journal* 6 no. 2, 457-467.

Cleaning up the Refuse from a Financial Crisis: The Case for a Resolution Management Corporation, *The Florida State University Business Review*10 no. 1 (Spring 2011), 1-23.

On Systemically Important Financial Institutions and Progressive Systemic Mitigation, *DePaul Business & Commercial Law Journal* 8 no. 2 (Winter 2010), 135-150.

Too Big to Fail and the Definition of Systemic Significance (with J. Haubrich), *Lombard Street* 1 no. 15 (November 2, 2009), 24-30.

Small Firm Credit Market Discrimination, Small Business Administration Guaranteed Lending, and Local Market Economic Performance (with B. Craig and W. Jackson III), *The ANNALS of the American Academy of Political and Social Science* 613 (September 2007), 73-94.

Large Shareholders and Market Discipline in a Regulated Industry: A Clinical Study of Mellon Bank (with J. Haubrich), *Corporate Ownership and Control* 1 (Fall 2003), 156-169.

Key Aspects for an Armenian Deposit Insurance System (with A. Manukyan), *Rynok kapitala v Armenii* No 13, 14 (June 2003), 52-57.

An Insider's View of the Political Economy of the Too Big to Let Fail Doctrine, (with W. Todd) *Public Budgeting and Financial Management: An International Journal*, 3 (1991), 547-617.

Rethinking and Living with the Limits of Bank Regulation, (with W. Todd) *The Cato Journal* 9 (Winter 1990), 579-600.

Research Volumes

Systemic Banking Crises (with O. Ergungor), *Research in Finance 23* (2007), Elsevier Ltd., Amsterdam, 279-310.

Depositor Preference Legislation and Failed Bank Resolution Costs, (with W. Osterberg) *Research in Finance* 20 (2003), Elsevier Ltd., Amsterdam, 33-59.

Loan Sales: Pacific Rim Trade in Non-Tradable Assets, (with J. Haubrich) *Advances In International Banking and Finance* 3 (1998), JAI Press, Greenwich, CN, 73-98.

The Changing Role of Banks and the Changing Value of Deposit Guarantees, (with P. Ritchken and I. Popova) *Advances In International Banking and Finance* 3 (1998), JAI Press, Greenwich, CN, 1-22.

Regulatory Taxes, Investment and Financing Decisions for Insured Banks, (with A. Li, P. Ritchken, and L. Sankarasubramanian) *Advances In International Banking and Finance* 2 (1996), JAI Press, Greenwich, CN, 1-30.

Bank Capital Requirements and Optimal Capital Structure for Banks, (with W. Osterberg) *Research in Finance* 14 (1996), JAI Press, Greenwich, CN, 87-98.

The Asset Flexibility Option and the Valuation of Deposit Insurance, (with P. Ritchken, R. DeGennaro, A. Li) *Research in Finance* 13 (1995), JAI Press, Greenwich, CN, 219-236.

On the Use of the Statistical Market-Value Accounting Model (SMVAM) in Thrifts, (with A. Demirgüc-Kunt) *Research in Finance* 10 (1992), JAI Press, Greenwich, CN, 239-246.

A Market-Based Approach to Reforming Bank Regulation and Federal Deposit Insurance, *Research in Financial Services: Private and Public Policy* 4 (1992), JAI Press, Greenwich, CN, 93-109.

Deposit Insurance and the Cost of Capital, (with W. Osterberg) *Research in Finance* 8 (1990), JAI Press, Greenwich, CN, 255-270.

Collections, Conference Volumes and Other Publications

On Government intervention in the small firm credit market and economic performance, (with B. Craig and W. Jackson III) *Entrepreneurship in Emerging Domestic Markets: Barriers and Innovation,* Milken Institute Series on Financial Innovation and Economic Growth, Springer (2008), 47-67.

Does Small Business Administration Guaranteed Lending Improve Economic Performance in Low-Income Areas? (with B. Craig and W. Jackson III), *Entrepreneurship in Low- and Moderate- Income Communities* (2006), 55-85.

On SBA Guaranteed Lending and Economic Growth (with B. Craig and W. Jackson III), *Economic Development Through Entrepreneurship: Government, University and Business Linkages (New Horizons in Entrepreneurship),* Edward Elgar Publishing (2006), 127-150.

Introduction to *Declining Treasury Debt,* (with J. Haubrich), *Journal of Money, Credit and Banking* 34 (August 2002) Pt 2, 701-706.

Introduction to *What Should Central Banks Do?* (with J. Haubrich) *Journal of Money, Credit and Banking* 32 (August 2000) Pt 2, 445-449.

Introduction to *Comparative Financial Systems,* (with J. Haubrich) *Journal of Money, Credit and Banking* 30 (August 1998) Pt 2, 421-425.

Introduction to *Derivatives and Intermediation,* (with J. Haubrich) *Journal of Money, Credit and*

Banking 28 (August 1996) Pt. 2, 421-425.

Introduction to *Federal Credit Allocation,* (with J. Haubrich) *Journal of Money, Credit and Banking* 26 (August 1994) Pt. 2, 517-522.

Discussion of Objectives of Bank Management, *Proceedings from a Conference on Bank Structure and Competition*, Federal Reserve Bank of Chicago (May 1994), 468-473.

Underlying Determinants of Closed Bank Resolution Costs, (with W. Osterberg), *Bank Failures: Causes and Consequences and Cures*, J. H. Wood and M. S. Lawlor, eds., Norwell, MA: Kluwer Academic Press, 1994, 120-136.

Capital Requirements and Optimal Bank Portfolios: A Reexamination, (with W. Osterberg) *Proceedings from a Conference on Bank Structure and Competition*, Federal Reserve Bank of Chicago (May 1988), 112-127.

Federal Reserve Bank of Cleveland

How Well Does Bankruptcy Work when Large Financial Firms Fail? Some Lessons from Lehman Brothers (with T. Fitzpatrick). *Economic Commentary* 2011-23 (October 26, 2011).

Resolving Large, Complex Financial Firms (with T. Fitzpatrick and M. Greenlee). *Economic Commentary* 2011-16 (August 31, 2011).

Against the Grain—Countercyclical Capital Requirements (with J. Haubrich). *Forefront 2(1)* (Winter 2011), 16-19.

How to Build a Bad Bank—for the Greater Good. *Forefront 2(1)* (Winter 2011), 12-15.

An End to Too Big to Let Fail? The Dodd–Frank Act's Orderly Liquidation Authority (with T. Fitzpatrick) *Economic Commentary* 2011-1 (January 6, 2011).

Stripdowns and Bankruptcy: Lessons from Agricultural Bankruptcy Reform (with T. Fitzpatrick) *Economic Commentary* 2010-9 (August 3, 2010).

Can a Stock Option Predict Financial System Chaos? *Forefront 1(2)* (Spring 2010), 18-19.

A Workshop on Entrepreneurial Finance, (with T. Dunne and S. Shane), Federal Reserve Bank of Cleveland *Policy Discussion Paper 28* (November 2009).

Identifying and Resolving Financial Crises: A Conference Overview (with J. Haubrich), Federal Reserve Bank of Cleveland *Policy Discussion Paper* 24 (August 2008).

Central Banks and Crisis Management (with O. Ergungor and J. Haubrich) Federal Reserve Bank of Cleveland *Annual Report 2007*, 7-20.

Credit Spreads and Subordinated Debt (with J. Haubrich), *Economic Commentary*, March 1, 2007.

Industrial Loan Companies (with O. Ergungor), *Economic Commentary*, October 1, 2006.

The Role of Relationships in Small-Business Lending (with B. Craig and W. Jackson III), *Economic Commentary*, October 15, 2005.

Umbrella Supervision (with J. Haubrich), *Economic Commentary*, September 1, 2005.

Are SBA Loan Guarantees Desirable? (with B. Craig and W. Jackson III), *Economic Commentary*, September 15, 2004.

The Evolving Role of the Federal Home Loan Banks in Mortgage Markets (with D. Maloney), *Economic Commentary*, June 2003.

Commercial Bank Borrowing from the Federal Home Loan Banks, *Economic Commentary*, July 2002.

Who Benefits from Increasing the Federal Deposit Insurance Limit? *Economic Commentary*, September 15, 2001.

Unitary Thrifts: A Performance Analysis, *Economic Review* 2nd Quarter (2001), 2-14.

Two Deposit Insurance Funds Are Not Necessarily Better Than One, *Economic Commentary*, October 15, 2000.

Raising the Deposit-Insurance Limit: A Bad Idea Whose Time Has Come? *Economic Commentary*, April 15, 2000.

The Exchange Stabilization Fund: How It Works, (with W. Osterberg) *Economic Commentary*, December 1999.

Depositor Preference Laws and the Cost of Debt Capital, (with W. Osterberg) *Economic Review* 3rd Quarter (1999), 10-20.

The Truth About Hedge Funds, (with W. Osterberg) *Economic Commentary*, May 1, 1999.

Banking Consolidation and Correspondent Banking, (with W. Osterberg) *Economic Review* 1st Quarter (1999), 9-20.

Bank Notes and Stored-Value Cards: Stepping Lightly into the Past, (with W. Osterberg) *Economic Commentary*, September 1, 1998.

Network Externalities: The Catch-22 for Retail Payments Innovations, (with W. Osterberg) *Economic Commentary*, February 15, 1998.

SAIF Policy Options, (with W. Osterberg) *Economic Commentary*, June 1995.

Federal Funds Futures as an Indicator of Future Monetary Policy: A Primer, (with J. Carlson and J. McIntire) *Economic Review* 1st Quarter (1995), 20-30.

Federal Credit Allocation, (with J. Haubrich) *Economic Review* 3rd Quarter (1994), 2-13.

The National Depositor Preference Law, *Economic Commentary*, February 15, 1994.

Making the SAIF Safe for Taxpayers, (with W. Osterberg) *Economic Commentary*, November 1, 1993.

The Evolving Loan Sales Market, (with J. Haubrich) *Economic Commentary*, July 15, 1993.

The Cost of Buying Time: Lessons from the Thrift Debacle, *Economic Commentary*, January 1, 1993.

Forbearance, Subordinated Debt, and the Cost of Capital for Insured Depositories, (with W. Osterberg) *Economic Review* 3rd Quarter (1992), 16-26.

FDICIA's Prompt Corrective Action Provisions, (with C. Pike) *Economic Commentary*, September 1, 1992.

The RTC and the Escalating Costs of the Thrift Insurance Mess, (with C. Pike) *Economic Commentary*, May 15, 1991.

Predicting Bank Failures in the 1980s, *Economic Review* 1st Quarter (1991), 9-20.

Underlying Causes of Commercial Bank Failures During the 1980s, (with L. Seballos) *Economic Commentary*, September 1, 1990.

Using Market Incentives to Reform Bank Regulation and Federal Deposit Insurance, *Economic Review* 1st Quarter (1990), 28-40.

Economic Principles and Deposit Insurance Reform, *Economic Commentary*, May 15, 1989.

Bank Lending to LBOs: Risks and Supervisory Response, *Economic Commentary*, February 15, 1989.

Bank Capital Requirements and the Riskiness of Banks: A Review, (with W. Osterberg) *Economic Review* 1st Quarter (1989), 10-17.

Using Financial Data to Identify Changes in Bank Condition, (with G. Whalen) *Economic Review* 2nd Quarter (1988), 17-26.

FDIC Policies for Dealing with Failed and Troubled Institutions, (with D. Caliguire) *Economic*

Commentary, October 1, 1987.

FSLIC Forbearances to Stockholders and the Value of Savings and Loan Shares, *Economic Review* 3rd Quarter (1987), 26-35.

Interbank Exposure in the Fourth Federal Reserve District, *Economic Commentary*, August 1, 1987.

Alternative Methods for Assessing Risk-Based Deposit Insurance Premiums, *Economic Commentary*, September 15, 1986.

Equity, Efficiency, and Mispriced Deposit Guarantees, *Economic Commentary*, July 15, 1986.

Working Papers

Stripping Down the Rhetoric: Is there a Case for Mortgage Loan Modifications in Bankruptcy? (with T. Fitzpatrick) Federal Reserve Bank of Cleveland Working Paper 12-xx, (forthcoming).

Silver Certificates and National Bank Notes (with B. Champ), Federal Reserve Bank of Cleveland Working Paper 06-22, December 2006.

PSAF, Economic Capital and the New Basel Accord, Federal Reserve Bank of Cleveland, Working Paper 0111, August 2001.

Reliability Analysis of the Federal Reserve Automated Payments Systems, (with A. Burnetas and G. Reynolds), Federal Reserve Financial Services Research Group Working Paper 97-03, March 1997.

Work-in-Progress

Administrative versus judicial resolution of distressed firms (with T. Fitzpatrick)

Advantages of Prepackaged Insolvency Regimes for BHCs and their Subsidiaries (with E. Kane)

Do SBA Loan Guarantees improve local economic performance? (with B. Craig and W. Jackson)