

Robert B.H. Hauswald

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Research Interests

Financial intermediation: information acquisition, lending relationships, credit market competition, financial regulation.

Corporate finance: capital structure design, debt covenants, corporate cooperation, governance mechanisms and markets for corporate control.

Dynamic finance: foreign exchange rate determination, financial contracts, fixed income securities in continuous time.

Economic theory: boundaries of the firm, expectations formation, auctions.

Publications

“Information Technology and Financial Services Competition,” *The Review of Financial Studies* Fall 2003, Vol. 16, pp. 921-948; joint with Robert Marquez.

“Competition and Strategic Information Acquisition in Credit Markets,” *The Review of Financial Studies* Fall 2006, Vol. 19, pp. 967-1000; joint with Robert Marquez.

“Credit Spread Determinants and Interlocking Contracts: A Study of the Ras Gas Project,” *The Journal of Financial Economics* October 2007, Vol. 86, pp. 248-278; joint with Mansoor Dailami.

“Distance and Private Information in Lending,” forthcoming in *The Review of Financial Studies*; joint with Sumit Agarwal.

Nonrefereed Publications

“Relationship Banking, Loan Specialization, and Competition,” in *Proceedings of the 36th Bank Structure and Competition Conference*, Federal Reserve Bank of Chicago 2000; joint with Robert Marquez.

“Determinants of Global-Bond Issuance by Emerging-Market Firms,” in *Global Development Finance 2007: The Globalization of Corporate Finance in Developing Countries*, Chapter 3, The World Bank 2007.

“Distance and Lending Decisions,” *Proceedings of the 42nd Bank Structure and Competition Conference*, Federal Reserve Bank of Chicago 2007; joint with Sumit Agarwal.

“Chapter 3: The Changing Role of International Banking in Development Finance,” in *Global Development Finance 2008: The Role of International Banking*, The World Bank 2008; joint with Mansoor Dailami.

“Liquidity Problems, Bank Solvency, and International Bank Lending to Developing Countries,” in *Global Development Finance 2009: Charting a Global Recovery*,

Chapter 2, The World Bank 2009.

Working Papers

“The Real Effect of Foreign Banks,” (2008), with Valentina Bruno; presented or accepted for presentation at American University, Bonn, LMU Munich, Wharton, the Third CAF-FIC-SIFR Conference on Emerging Market Finance Hyderabad, India, Bocconi, Bratislava, the 2009 Financial Intermediation Research Society Meetings, the 2009 European Finance Association Meetings, the Second Conference on Competition in Banking Markets, Antwerp, Belgium, and the 2010 American Finance Association Meetings.

“The Choice between Arm’s-Length and Inside Debt,” (2007) with Sumit Agarwal; presented at American University, the ECB, the ISB 2007 Summer Research Conference in Finance, the 2007 European Finance Association Meetings, the Conference “Information in Bank Asset Prices: Theory and Empirics,” George Mason, the 3rd NY Fed/NYU Conference on Financial Intermediation, Mannheim University, the 2008 American Finance Association Meetings, the 2008 Financial Intermediation Research Society Meetings Conference, Wharton, and the 2009 Western Finance Association Meetings; under submission to the *Journal of Finance* (second round).

“Governance Mechanisms and Corporate Disclosure,” (2005) with Robert Marquez, Maryland; presented at seminars at American University, Arizona, ASU, Georgia, Indiana, McGill, Minnesota, Notre Dame, NYU, Penn State, Rice, UCLA, Wisconsin, and the 2007 American Finance Association Meetings.

“Executive Compensation, Supervisory Incentives, and Banking Regulation” (2005), with Lemma Senbet; previous versions presented at the 10th Annual Conference on Financial Economics and Accounting 1999, University of Texas, Austin, the 2000 European Finance Association Meetings, London, UK, and at seminars in Indiana, CentER - Tilburg University, Seoul National University, and the National Bank of Slovakia.

“Ownership and Control in Joint Ventures” (2004), with Ulrich Hege; presented at seminars at Maryland, HEC Paris, THEMA Cergy-Pontoise, Humboldt Universität Berlin, American University, Virginia, the 2004 American Finance Association Meetings, the 2004 Financial Intermediation Research Society Meetings, and the 2004 European Finance Association Meetings; currently under revision for resubmission to the *Review of Economic Studies*.

“Loan-Portfolio Quality and the Diffusion of Technological Innovation” (2003), with Robert Marquez; also published as FDIC Working Paper 2004-02, March 2004, and presented at seminars at the FDIC, the Federal Reserve Bank of New York, American University, the 2003 FDIC/JFSR Finance and Banking Conference, and the BIS Workshop on Accounting, Transparency and Bank Stability, Basel, Switzerland, May 2004.

“The Emerging Project-Bond Market: Covenant Provisions and Credit Spreads” (2003), with Mansoor Dailami; also published as World Bank Policy Research Work-

ing Paper 3095, July 2003, and presented at the conferences on Applied Infrastructure Research, University of Technology Berlin, Germany and Institutional Dimension of Private Finance Initiatives, Japan Economic Research Institute, Tokyo, Japan.

Current Work “Authority and Information,” joint with Sumit Agarwal, Federal Reserve Bank of Chicago.

“M&A as Real Options on Synergies,” joint with Dirk Hackbarth, University of Illinois.

“Foreign-Bank Entry,” joint with Valentina Bruno, American University.

“The Real Effect of Institutional Development” joint with Valentina Bruno, American University.

“Collateral,” joint with Sumit Agarwal, Federal Reserve Bank of Chicago.

“Auctions with Search,” with Thomas Gehrig, Freiburg University.

Teaching Experience

“Funding Investments,” Wharton 2009: MBA and undergraduate elective.

“Bundesbank Lectures in the Economics of Project Finance,” Freiburg University, Germany 2008: summer-school course.

“International Finance,” AU 2007-2008: MBA elective.

“Infrastructure-Project Analysis: Risks, Appraisal and Design,” WBI 2005 to present.

“Project Design and Contractual Structure,” University of Technology Berlin, Germany 2005: summer-school course.

“Corporate Valuation and Financial Strategy,” AU 2005-2008: MBA elective.

“Financial Management,” AU 2002-2007: MBA core course.

“Mergers and Acquisitions,” AU 2002-2004: MBA elective.

“Modern Infrastructure Project Finance,” WBI 2000-2007: executive education course.

“Assessing Project and Credit Risks,” China Development Bank 2002: executive education course.

“Developing Financial Systems,” Central Bank of Sri Lanka, May 2002: executive education course.

“Advanced Financial Management,” Maryland 2002: MBA elective.

“Financial Management,” Maryland 2000-2002: MBA core course.

“Financial Valuation and Strategy,” Maryland 2000-2002: MBA elective.

“Global Financial Management,” HSE-IPS, Seoul 1999-2001: Executive MBA elective.

“Global Financial Management,” Indiana 2000: MBA elective.

“International Financial Markets,” Indiana 1998-1999: MBA elective.

“International Corporate Finance,” Indiana 1998-1999: MBA elective.

“Mathematical Finance,” Indiana 1998: Ph.D. course, Department of Mathematics.

“International Finance,” Indiana 1997-2000, Maryland 2001: undergraduate elective.

“Fixed Income Securities and Derivatives,” Maryland 1997: MBA elective.

“Management of Financial Institutions,” Maryland 1996: undergraduate, MBA elective.

“Theory of Financial Institutions and Intermediation,” Maryland 1995: Ph.D. course.

“The Firm in Theory and Practice,” Stanford 1995: teaching assistant for Paul Milgrom.

“Statistics for Social Scientists (Intermediate Statistics),” Stanford 1995: co-instructor.

“Elementary Economics,” Stanford 1994: teaching assistant for Michael Boskin.

“The Japanese Economy,” Stanford 1992-94: teaching assistant for Masahiko Aoki.

“What’s Next? The Merger of the NYSE and EuroNext,” case study, AU 2006.

“Talking e-Mail,” case study, AU 2005.

“Bank of America and FleetBoston Financial: The Bigger, the Better, the more Profitable?” case study, AU 2004.

“Playing Russian Roulette: Liberty Media’s Acquisition of QVC,” case study, AU 2004.

“Digital Auction Engines,” case study, AU 2004.

**Teaching
Materials**

“The Acquisition of Empires: Bidding for Rome 193 A.D.,” case study, AU 2003.

“Vivendi Universal: Flirting with Bankruptcy or Asset Disposal?” case study, AU 2003.

“Saving Kmart: Exercising the Bankruptcy Option,” case study, AU 2003.

“Pricing Credit Risk,” technical note, AU 2003.

“Assessing Financial Distress,” technical note, AU 2003.

“Central Maine and FPL,” case study, AU 2003.

“Real Options,” technical note, AU 2002.

“Event Studies,” technical note, AU 2002.

“American Tower and Verestar,” case study, AU 2002.

“Long-Term Capital Management: The One-Trillion Dollar Bet,” case study, Maryland 2002.

“Saving Xerox: The Document Company,” case study, Maryland 2001.

“The Merger of AOL and Time Warner: Old Meets New Economy,” case study, Maryland 2001.

“Water under the Bridge: Financing GH Water,” case study and computer simulation, Maryland and WBI 2001.

“AT&T: Breaking Up Is Hard To Do,” case study, Maryland 2000.

“bn.com: Form Follows Function,” case study, Maryland 2000.

“Power to the People: The Quezon IPP,” case study and computer simulation, Indiana and WBI 2000.

“Financing in Global Debt Markets: The Ras Gas Project,” case study and computer simulation, Indiana and WBI 1999.

Review Activities

Editorial Activities

Member of the Editorial Board of the *Review of Middle East Economics and Finance*, *Journal of Financial Services Research*, and *Journal of International Business Studies*.

Academic Reviews

Rand Journal of Economics; *European Economic Review*; *Journal of Finance*; *Re-*

view of Financial Studies; Journal of Financial Economics; Journal of Money, Credit and Banking; Journal of Financial Intermediation; Journal of Industrial Economics; Financial Management; Management Science; Review of Finance; Journal of Banking and Finance; Journal of Financial Services Research; IMF Staff Papers.

Springer Verlag, New York and Heidelberg; MIT Press, Boston.

Textbook Reviews

Springer Verlag, New York and Heidelberg; Irwin McGraw-Hill, Boston; John Wiley & Sons, New York; Addison-Wesley, Reading; Prentice Hall, Englewood Cliffs.

Education

Ph.D. in Economics 1995
Stanford University, Stanford, CA; Department of Economics.

Dissertation Title “On Universal Banking Systems,” Stanford University 1995.

Advisors: Paul Pfleiderer, Masahiko Aoki, Ronald Gilson, Yingyi Qian.

Abstract. The dissertation investigates the attributes and optimality of *banking systems*, the *origins of universal banking*, and the *institutional complementarity* between banking and bankruptcy law in a game-theoretic setting involving organizational investment by banks, financial contracting under contractual incompleteness and optimal outside interference.

M.S. in Mathematics 1993
Stanford University, Stanford, CA; Department of Mathematics.

M.S. in Economics 1988
University of London, London School of Economics, England.

Diploma (Diplôme I.E.P.) 1986
Institut d’Etudes Politiques de Paris, France.

M.A. in History (Maîtrise) 1984
Université de Paris I, Panthéon-Sorbonne, France.

Undergraduate Studies 1980-83
FU Berlin; Indiana University, Bloomington: Economics and History.

Honors and Awards

American University September 2008
Kogod Achievement Award for Outstanding Research.

American University September 2007
Kogod Achievement Award for Outstanding Research.

American University September 2007
Kogod Achievement Award for Service.

American University September 2006

Kogod Achievement Award for Outstanding Research.

American University April 2006
Professor of the Year Award, Kogod School of Business.

FDIC, Washington DC March 2006
Federal Deposit Insurance Corporation Research Grant for work on the geography of loan transactions.

American University September 2004
Kogod Achievement Award for Outstanding Research.

American University August 2004
Kogod Research Fellowship to fund research sabbatical in Fall 2004.

American University April 2004
Honorable Mention in vote for Graduate Teacher of the Year, Kogod School of Business, American University, Washington DC.

FDIC, Washington DC April 2003
Federal Deposit Insurance Corporation Research Grant for work on the diffusion of innovations in the financial-services industry.

University of Maryland April 2002
Honors Program Faculty Appreciation Award 2002, Smith School of Business, University of Maryland, College Park.

University of Maryland April 2001
Outstanding Faculty Award 2001 (top 15% instructor), Smith School of Business, University of Maryland, College Park.

Indiana University, Bloomington 1997 to 2000
Consistently ranked among the top teachers at Kelley School of Business, IU.

University of Maryland April 1996
Outstanding Faculty Award, Smith School of Business, University of Maryland, College Park with citation in *A Business Week Guide: The Best B-Schools*.

IEP, Paris, France July 1986
Félicitations du Jury: top 2% graduate (summa cum laude), Institut d'Etudes Politiques de Paris, France.

Université de Paris I, France July 1984
Mention Très Bien (summa cum laude).

DAAD, Bonn, Germany 1981, 1986
Two German Academic Exchange Service (DAAD) scholarship awards.

Academic Experience	Visiting Associate Professor	Fall 2009
	Finance Department, Smith School of Business, University of Maryland , College Park, MD.	
	Visiting Associate Professor	Summer 2009
	Economics Department, Bonn University , Bonn, Germany.	
	Visiting Associate Professor	2008-2009
	Finance Department, The Wharton School, University of Pennsylvania , Philadelphia, PA.	
	Visiting Associate Professor	Summer 2008
	Economics Department, Freiburg University , Freiburg, Germany.	
	Associate Professor with Tenure	Since 2008
	Finance Department, Kogod School of Business, American University , Washington, DC.	
	Research Fellow	Since 2007
	Center for Financial Studies, Frankfurt University , Frankfurt, Germany.	
	Assistant Professor	2002-2008
Finance Department, Kogod School of Business, American University , Washington, DC.		
Visiting Assistant Professor	2000-2002	
Finance Department, Smith School of Business, University of Maryland , College Park, MD.		
Assistant Professor	1997-2001	
Finance Department, Kelley School of Business, Indiana University , Bloomington, IN.		
Visiting Assistant Professor	1999, 2000, 2001	
Helsinki School of Economics and Institute for Industrial Policy Studies , Seoul National University, Seoul, Korea.		
Visiting Scholar	July - August 1999	
CentER, Tilburg University , Tilburg, The Netherlands.		
Visiting Scholar	July - August 1998	
Center for European Integration Studies, University of Bonn , Bonn, Germany.		
Visiting Assistant Professor	1995-1997	
Finance Department, Smith School of Business, University of Maryland , College Park, MD. Joint appointment with the International Monetary Fund.		

Professional Experience	Visiting Scholar and Consultant	Since 1998
	The World Bank , Washington, DC. Project finance, financial market development, emerging bond market	
	Visiting Scholar	April - June 2003
	Federal Deposit Insurance Corporation , Washington, DC. Information technology and bank risk.ets.	
	Visiting Scholar	May 1999
	International Monetary Fund , Washington, DC. Financial markets development, emerging markets, bank failures.	
	Economist	1995-1997
	International Monetary Fund , Washington, DC: Research and Monetary and Exchange Affairs Departments; research on financial systems design.	
	Research Assistant	1990-1995
	Department of Economics, Stanford University . Worked for Masahiko Aoki (comparative institutional analysis applied to financial markets, evolutionary game theory); teaching assistant for Michael Boskin and Paul Milgrom.	
Independent Consultant	1990-1995	
Project work for financial services companies in Europe. Derived asset pricing models for valuation, trading and risk management purposes with particular emphasis on fixed income derivatives portfolios. Formulated quantitative asset allocation models and derived alternative portfolio selection rules based on non-variance risk concepts. Statistical work on new paradigms of expectation formation and forecasting, the estimation of bond option and bond-futures option exercise probabilities and yield curve modeling.		
Quantitative Analyst	1988-90	
Deutsche Bank AG , Frankfurt and London, Investment Research Department. Responsible for systems and products development, the formation of a new quantitative research group and the quantitative department of a new subsidiary for quantitative asset management in London. Designed and supervised implementation of an arbitrage system for derivatives markets.		
Citibank AG, Germany	1987	
Summer Associate in the Corporate Banking Department.		
J. Lacoste S.A., France	1986	
Account officer for all British and German customers. Sales trip to Great Britain.		
Allianz Versicherungs-AG	1985	
Internship in the Maritime Insurance Department, Hamburg, Germany.		
Miscellaneous	Fluent in English, French, German and Spanish. Two sons. German and US citi-	

zenship.

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