Efraim (Effi) Benmelech

CURRICULUM VITAE

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Finance Department
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Northwestern University
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Current Positions

2014 – present Harold L. Stuart Professor of Finance, **Kellogg School of Management, Northwestern University**

2014 – present Director, Guthrie Center for Real Estate Research, **Kellogg School of Management, Northwestern University**

Education

2001 – 2005 Ph.D., Finance, **Graduate School of Business, University of Chicago**

1999 – 2001 M.B.A, **The Hebrew University of Jerusalem, School of Business Administration**

1996 – 1999 B.A in Economics and Business Administration, **The Hebrew University of Jerusalem, Department of Economics and the School of Business Administration**

Past Academic Positions

2012 – 2014 Associate Professor of Finance, **Kellogg School of Management, Northwestern University**

2011 – 2012 Frederick S. Danziger Associate Professor of Economics, **Department of Economics, Harvard University**

2009 – 2010 Associate Professor, **Department of Economics, Harvard University**

2005 – 2009 Assistant Professor, **Department of Economics, Harvard University**

2004 – 2005 Post-Doctoral Fellowship in Organizational Economics, **Harvard Business School**

Other Affiliations

2012 – present Research Associate, **National Bureau of Economic Research**

2006 – 2012 Faculty Research Fellow, **National Bureau of Economic Research**

2011 – current Editor, **Review of Corporate Finance Studies**

2013 – current Associate Editor, **Journal of Finance**

Research Interests

Applied Corporate Finance, Financial Contracting, Bankruptcy, Economic History, Economics of Terrorism.

Refereed Publications

1. "Do Liquidation Values Affect Financial Contracts? Evidence from Commercial Zoning Laws," (with Mark Garmaise and Toby Moskowitz), *Quarterly Journal of Economics,* (2005), 120 (3) 1121-1154.

2. "Human Capital and the Productivity of Suicide Bombers," (with Claude Berrebi*), Journal of Economic Perspectives*, (2007), 21 (3) 223-238.

3. "Liquidation Values and the Credibility of Financial Contract Renegotiation: Evidence from U.S. Airlines," (with Nittai Bergman), *Quarterly Journal of Economics,* (2008) 123(4) 1635-1677.

4. "Asset Salability and Debt Maturity: Evidence from Nineteenth-Century American Railroads," *Review of Financial Studies*, (2009), 22(4) 1545-1583.

5. "Collateral Pricing," (with Nittai Bergman), *Journal of Financial Economics*, (2009), 91(3) 339-360.

6. "The Alchemy of CDOs' Credit Ratings," (with Jennifer Dlugosz) , *Journal of Monetary Economics*, (2009) 56(5) 617-634.

7. "The Political Economy of Financial Regulation: Evidence from U.S State Usury Laws in the 19th Century," (with Toby Moskowitz), *Journal of Finance*, (2010) 65(3) 1029-1073.

8. "The Credit Ratings Crisis," (with Jennifer Dlugosz) *NBER Macroeconomics Annual* 2009 161-207.

9. "The Economic Cost of Harboring Terrorism," (with Claude Berrebi and Esteban Klor), *Journal of Conflict Resolution,* (2010) 54 331-353.

10. "Stock-Based Compensation and CEO (Dis)Incentives," (with Eugene Kandel and Pietro Veronesi),), *Quarterly Journal of Economics,* (2010), 125(4) 1769-1820.

11. "Vintage Capital and Creditor Rights," (with Nittai Bergman), *Journal of Financial Economics,* (2011) 99(2) 308-332.

12. "Bankruptcy and the Collateral Channel," (with Nittai Bergman). *Journal of Finance*, (2011) 66(2) 337-378.

13. "Economic Conditions and the Quality of Suicide Terrorism," (with Claude Berrebi and Esteban Klor), *Journal of Politics*, (2012), 74 113-128.

14. "Securitzation without Adverse Selection: The Case CLOs," (with Victoria Ivashina and Jennifer Dlugosz), *Journal of Financial Economics*, (2012), 106(1) 91-113.

15. "Negotiating with Labor under Financial Distress," (with Nittai Bergman and Ricardo Enriquez), *Review of Corporate Finance Studies*, (2012), 1(1) 28-67.

16. "Credit Traps," (with Nittai Bergman), *American Economic Review*, (2012) 102(6) 3004-3032.

17. "An Empirical Analysis of the Fed's Term Auction Facility," *CATO Papers on Public Policy*, (2012), 2 57-91.

18. "Does Short-Term Debt Increase the Vulnerability to Crisis? Evidence from the East Asian Financial Crisis," (with Eyal Dvir), *Journal of International Economics*, (2013), 89 485-494.

19. "Repossession and the Democratization of Credit," (with Juliano Assuncao and Fernando S. S. Silva), *Review of Financial Studies*, (2014), 27(9) 2661-2689.

20. "Counter-Suicide-Terrorism: Evidence from House Demolitions," (with Claude Berrebi and Esteban Klor), *Journal of Politics,* (2015), 77(1).

21. "Military CEOs," 2013, (with Carola Frydman), *Journal of Financial Economics*, Forthcoming.

Other Publications

22. "The Credit Rating Crisis," *NBER Reporter,* (2010), 1 8-10.

23. Discussion of Ramseyer and Rasmusen's "Can the Treasury Exempt its Own Companies from Tax? The $45 Billion GM NOL Carryforward," *CATO Papers on Public Policy*, (2011), 43-36.

24. Discussion of Patrick Bolton's "Corporate Finance, Incomplete Contracts, and Corporate Control," 2014.

Working Papers

25. "Did the Community Reinvestment Act lead to Risky Lending?" 2012, (with Sumit Agarwal, Nittai Bergman and Amit Seru).

26. "The Agglomeration of Bankruptcy," 2013, (with Nittai Bergman, Anna Milanez and Vladimir Mukharlyamov).

27. "Financing Labor," 2012, (with Nittai Bergman and Amit Seru).

28. "The Financial Crisis of 1873 and 19th Century American Corporate Governance," (with Michael Bordo).

29. "Capacity Utilization Around the World," 2013, (With Nittai Bregman).

30. "The Real Effects of Liquidity During the Financial Crisis: Evidence from Automobiles," 2014, (with Raif Meisenzahl and Rodney Ramcharan).

31. "Leasing and Capital Reallocation," 2013, (with Nittai Bergman and Ricardo Enriquez).

Presentations

2015 (including scheduled) North America Winter Meeting of the Econometric Society (Boston).

2014 (including scheduled) Adam Smith Corporate Finance Conference (London Business School), American Economic Association, January 2014, American Finance Association, January 2014, University of Alberta, 2014 CityU Finance Conference Hong Kong (1 paper and 1 discussion), University of British Columbia, The University of Chicago Law School Conference on Creditors and Corporate Governance 2014, Federal Reserve Bank of Chicago, Federal Reserve Bank of New York, Edinburgh Corporate Finance Conference, Harvard Business School, Hebrew University (The Jerusalem School of Business Administration), Helsinki Finance Seminar (Aalto University and Hanken School of Economics), The University of Hong Kong, University of Indiana, Northwestern Kellogg (MEDS), Northwestern Law School, Koc University, University of Maryland, NBER Corporate Finance, April 2014 (discussant), NBER Corporate Finance, November 2014, NBER Summer Institute: Risks of Financial Institutions, Pennsylvania State University, Singapore Management University, Yeshiva University.

2013 American Economic Association (discussant), January 2013, American Finance Association, January 2013, The Analysis Group, Bar-Ilan University Ackerman Conference on Corporate Governance, Federal Reserve Board of Governors, 1st CSEF Conference on Finance and Labor, Georgia Tech, Hebrew University, Hong Kong University of Science and Technology, Northwestern Kellogg, Loyola University Chicago, NBER-CCER conference in Beijing, Perdue (Krannert), Tenth Annual Caesarea conference (discussant), University of Amsterdam, University of Chicago (economics), University of Chicago Booth School of Business, University of Chicago Law School, University of North Carolina, Western Finance Association, Washington University (Olin), Yale SOM.

2012 Berkeley (Haas), Bocconi, Ca Foscari University, Case Western, CATO Papers on Public Policy, Columbia University, Drexel University, Duke, Federal Reserve Bank of Chicago, London School of Economics, Natural Experiments and Controlled Field Experiments (Holzhausen, Germany), NBER Corporate Finance (discussant), Oxford University (Said), Stanford GSB, University of Chicago (Harris School of Public Policy), The University of Chicago Law School Conference on Creditors and Corporate Governance, 2012.

2011 American Economic Association, January 2011 (1 paper 1 discussion), American Finance Association, January 2011 (2 papers), Banca d'Italia, Boston University, Brigham Young University, CATO Papers on Public Policy (discussant), Dartmouth (Tuck), Duke, Eighth Annual Caesarea conference (discussant), Einaudi Institute for Economics and Finance, European Central Bank, Grossman and Hart at 25 Conference in Brussels, Harvard Economics (Finance and Macro), Harvard Law School, HEC Paris, The Chinese University of Hong Kong, Stanford Institute for Theoretical Economics: New Frontiers in Empirical Capital Structure Research, University of Minnesota (Carlson), University of Southern California (Marshall), University of Virginia (Darden), Wharton.

2010 American Economic Association, January 2010, American Finance Association, January 2010 (1 paper, 1 discussion), Columbia, GARP, Einaudi Institute for Economics and Finance, European Summer Symposium in Financial Markets, Harvard Economics of National Security Seminar, Hebrew University, Michigan State, IMF, NBER Development of the American Economy, NBER Political Economy (paper and

discussion), NBER Conference on Ethics in Business, Pontificia Universidad Catolica de Chile, Seventh Annual Caesarea conference (discussant), Oxford University Labor and Finance Conference June 2010, University of Michigan, Princeton, Stockholm School of Economics, UCLA Anderson.

2009 American Economic Association, January 2009, Banca d'Italia, Brandeis, DePaul, Einaudi Institute for Economics and Finance (2 papers July and December 2009), European Central Bank, Federal Reserve Bank of New York, Federal Reserve Bank of Minneapolis (2 papers), Harvard Kennedy School, Harvard Law School, Imperial College, HKUST Finance Symposium on Corporate Finance (Hong-Kong December 2009), IMF Annual Research Conference 2009, NBER Competition and Government Intervention in the Airline Industry Conference (discussant), NBER Corporate Finance, NBER Economics of National Security, NBER Macroeconomics Annual Conference, Northwestern (Department of Economics and Kellogg), NYU (Stern), New York Fed-NYU Stern Fifth Conference on Financial Intermediation (Discussant), University of Chicago (Booth), University of Melbourne, University of New South Wales, Vienna Graduate School of Finance.

2008 American Finance Association, January 2008 (2 papers and 1 discussion), Columbia Law School, European Summer Symposium in Financial Markets (invited lecture), Fifth Annual Caesarea conference, Carnegie-Rochester Conference Series on Public Policy, Financial Research Association Meeting (Las Vegas), Harvard Economics (2), Harvard-MIT Organizational economics workshop, HBS (entrepreneurial management), Hebrew University, IMF (On the Causes and Consequences of Structural Reforms Conference, Feb 2008), Legal Innovation in Finance (Amsterdam, October 2008), London Business School, London School of Economics, NBER Summer Institute (DAE), Ohio State University, Princeton (Political Economy of Counterinsurgency Workshop), Rutgers Economics, Stanford GSB, Stanford Institute for Theoretical Economics: Theory and History (co-organizer and presenter), Stockholm Institute for Financial Research conference (The Changing Nature of Credit Markets: Risks and Opportunities), Stockholm School of Economics, Tel Aviv University, Tilburg University, University of Alberta, University of Amsterdam, University of Michigan's 15th Mitsui Life Symposium on Credit Risk, Western Economic Association (paper and discussion), Western Finance Association (2 papers 1 discussion), Yale Law School.

2007 American Finance Association, January 2007, Chicago, Berkeley Economics, Federal Reserve Bank of Boston, Harvard Economics (2), Harvard Law School, Korea Development Institute-Harvard Conference (discussion), MITRE, NYU (Stern), University of Illinois at Urbana-Champaign, University of Virginia Law and Finance conference (University of Virginia School of Law and the McIntire school of Commerce), Texas Finance Festival (April 2007), UC San Diego.

2006 Boston University, Brown, Dartmouth (Tuck), Federal Reserve Bank of Chicago (Bank Structure and Competition Conference), Federal Reserve Bank of Philadelphia, Harvard Economics (2), MIT, NBER (Corporate finance), NBER (Political Economy), NBER Summer Institute (Economics of National Security), NBER Summer Institute (Education), Northwestern (Conflict and Cooperation Conference), University of Chicago (Department of Economics and GSB), UCLA, Washington University (Olin).

2005 Boston College, Columbia, Cornell, Duke, Harvard (Economics and HBS), Lehman Brothers, MIT, Northwestern, NBER (Political Economy - discussion), NYU, Princeton, Stanford GSB, UCLA, Wharton, Yale.

2004 University of Chicago, FDIC, Harvard Economics (2), Hebrew University, MIT-Sloan.

2003 University of Chicago, NBER (Development of the American Economy).

2002 Hebrew University.

Awards, Fellowships and Scholarships

Faculty Impact Award for MBA Teaching – Kellogg School of Management, Winter 2014.
The Review of Corporate Finance Studies Best Paper Award 2012.
The Journal of Finance Brattle Group Award, First Prize, 2011.
National Science Foundation CAREER Award: "Empirical Analysis of the Causes and Consequences of Financial Distress" 2009-2014.
Excellence in Refereeing Award, American Economic Review, 2009.
Excellence in Refereeing Award, Quarterly Journal of Economics, 2011.
Einaudi Institute for Economics and Finance, 2009.
GARP Risk Management Research Program Grant, 2007.
Andrew E. Furer Fellow, Department of Economics, Harvard University, 2006-2009.
Warburg Fund, (Harvard) 2006, 2007, 2008.
Clark Fund (Harvard), 2006, 2008, 2009.
John Leusner Family Fellowship (University of Chicago, GSB), 2005.
The Lehman Brothers Fellowship for Research Excellence in Finance (1st Prize), 2004-2005.
The FDIC Center for Financial Research Fellowship, 2004.
The AFA Student Travel Grant, 2004.
The Harry Simons Fellowship, 2003-2004.
The CRSP Summer Paper Grant, 2002.
The Solomon Fund Fellowship, 2002.
The University of Chicago, GSB Fellowship, 2001-2005.
The Maurice Falk Award for Outstanding Students' Papers, 1999.
The Israeli Defense Forces, Chief of General Staff Award for Outstanding Officers, (Award for Excellence and Leadership by Mr. Ehud Barak, Israel Former Prime Minister), 1994.

Short Academic Visits

Visiting Scholar, the Becker-Friedman Institute for Research in Economics, October 2013.
Hebrew University, November 2008, May-June 2010, April 2014, November 2014, March 2015.
The Chinese University of Hong Kong, December 2011.
The Federal Reserve Bank of Minneapolis, March 2009.
Ente Einaudi, Rome, June-August 2009, December 2009, November 2010, November 2011, November 2012.
Stockholm School of Economics, October 2010.
University of Chicago, Booth School of Business, October 2009.

Academic Service

Referee/reviewer for *American Economic Review, American Journal: Macro, American Journal: Applied Economics, Cambridge university Press, Econometrica, Games and Economic Behavior, Journal of Banking and Finance, Journal Conflict Resolution, Journal of Economic Behavior and Organization, Journal of Finance, Journal of Financial Economics*, *Journal of Financial Intermediation, Journal of Law and Economics, Journal of Law, Economics, and Organizations, Journal of Money, Credit, and Banking, Journal of Political Economy*, *MacArthur Foundation*, *Management Science, National Science Foundation, Quarterly Journal of Economics*, *Rand Journal of Economics, Review of Economics and Statistics, Review of Economic Studies, Review of Finance*, *and Review of Financial Studies.*

Program Committee for: AFA 2010 (session chair), AFA 2013 (session chair), Capri Conference on Finance and Labor, 2013, Econometric Society Winter Meetings (January 2015), EFA 2013, Annual Caesarea Conference (2014, 2015), European Summer Symposium in Financial Markets 2010, Finance Down Under, Melbourne 2011, NYU/NY Fed Conference on Financial Intermediation 2014, 2015, Olin Business School Corporate Finance Conference (2010, 2011, 2013, 2014), WFA (2010, 2011, 2012, 2013), SITE 2008, SFS Finance Cavalcade 2013, UNC-Duke Corporate Finance Conference 2013.

Co-organizer of the NBER Corporate Finance meeting in Chicago, April 2010.

AFA Nominating Committee 2014.

Professional Experience

1998 – 2001 Assistant Director, Debt Management Department, **Ministry of Finance, Israel**

2000 – 2001 Member, Board of Directors, **Israel National Coal Supplies Company** (State-owned company for coal supplies)

1990– 1996 Major, Commander of company and chief operations officer, **Israeli Defense Forces, The Paratroopers Brigade Number 35**

Outside Activities

Compensated activities during the last three years:

Speeches and Lectures: Banca d'Italia, European Central Bank, Hong Kong University of Science and Technology, IMF, Interdisciplinary Center, Herzilya, Pontificia Universidad Catolica de Chile, The Chinese University of Hong Kong.

Teaching: Ente Einaudi, Stockholm School of Economics.

Short Academic Visits: Hebrew University, The Federal Reserve Bank of Minneapolis, Ente Einaudi, University of Chicago, Booth School of Business, The Becker-Friedman Institute at the University of Chicago.

Honorarium for Research Papers: National Bureau of Economic Research, The Cato Institute.

Consulting Work: IDB Group, Israel.