



**Press Release: August 30, 2013**

The Toulouse School of Economics & the Banque de France  
announce the winners of the Monetary Economics & Finance Prize.

The Banque de France and the Toulouse School of Economics have launched a series of Prizes in Monetary Economics and Finance. These Prizes, to be granted annually for the Junior Prize and every two years for the Senior Prize, will distinguish academic researchers who have developed central concepts to improve our understanding of Monetary Economics and Finance. The aim of the prizes is to foster conceptual progress that will eventually allow the design and implementation of better policies by central banks.

#### PRESENTATION OF THE JURY 2013

The JURY 2013 is co-presided by Anne Le Iorier (1st Deputy Governor, Banque de France) and Jean Tirole (President, TSE).

The members are:

- Daron Acemoglu (Professor, MIT),
- Stanley Fischer (Governor, Central Bank of Israel),
- Christian Hellwig (Professor, TSE),
- Pierre Jaillet (Director General Economics and International, Banque de France),
- Robert Ophèle (Deputy Governor, Banque de France),
- Jean-Charles Rochet (Professor, TSE & University of Zurich),
- David Thesmar (Professor, HEC Paris).
- Marc-Olivier Strauss-Kahn (Director General Economics and International Relations)
- Denis Beau (Director General Operations)

#### 2013 JUNIOR PRIZE WINNERS

Every year the Junior Prize is awarded to two economists below the age of 40:

- One researcher affiliated to an European institute
- One researcher affiliated to a non-European institute

2013 Junior Prize was awarded to Prof. Lasse Heje Pedersen and Prof. Emmanuel Fahri

**Researcher affiliated to a European institute**  
***Prof. Lasse Heje Pedersen***



Lasse Heje Pedersen is Professor of Finance at the Copenhagen Business School since September 2011, on leave from the NYU Stern School of Business. He is a research associate at CEPR and NBER, a principal at AQR Capital Management, and a Director of the American Finance Association. Lasse has also served on advisory boards of the Federal Reserve Bank of New York, NASDAQ and FTSE, and on the editorial boards of the Journal of Finance, Journal of Economic Theory, and Quarterly Journal of Economics. His research focuses on asset pricing and liquidity risk. It shows that how the interaction of market and funding liquidity can create liquidity spirals and systemic financial crisis. Indeed, when everyone runs for the exit, prices drop-and-rebound, margins increase, and risk management tighten. His contribution is a breakthrough in our understanding of systemic risks on financial markets

**Researcher affiliated to a non-European institute**  
***Prof. Emmanuel Farhi***



Emmanuel Farhi is a Professor of Economics at Harvard University and a 2006 MIT PhD. He is a research associate at the National Bureau of Economic Research, the Center for Economic Policy Research, as well as a fellow of the Toulouse School of Economics. He is also an associate editor of the American Economic Review. From 2010 to 2012, he was a member of the French Economic Analysis Council to the French Prime Minister. In 2010, he received a Sloan Research Fellowship. He was awarded the 2009 BERNÁCER Prize for the best European economist under the age of 40 by the Observatory of the European Central Bank. His research focuses on macroeconomics, finance, international economics, and public finance. He showed how trends in FDI, exchange rates and interest rates can be generated by differentials in financial markets capabilities; he has also analyzed currency crashes and the role of capital controls. In a series of papers, he has established himself as a pioneer of dynamic aspects of taxation, including income taxation over the lifecycle and estate taxation. A recent line of research studies alternatives to currency devaluations in currency unions under wage or price rigidities; he shows that private insurance is inefficiently low even in a union with perfect financial markets and identifies circumstances in which a fiscal union is particularly beneficial. Other recent lines of investigation analyze unconventional policies at the zero lower bound and formalize the collective moral hazard problem that can be created by authorities' intervention in the case of financial crisis.

**AWARD**

The Junior Prize winners carry a cash award of 15,000 euros and will spend 4 weeks as visiting scientist at the Banque de France & Toulouse School of Economics.

**CONTACT**

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