

Patrick Bolton:  
**CURRICULUM VITAE**

July, 2012

Patrick Bolton  
Barbara and David Zalaznick Professor of Business  
Finance and Economics  
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Department of Economics  
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Date of birth: 11 June 1957  
Place of birth: Dublin, Ireland  
Nationality: French and American

Education:

Institut d'Etudes Politiques de Paris (Sciences Politiques): September 1976–June 1979, Section Service Public: (B.A. in Political Science).

University of Cambridge (Churchill College): September 1980–June 1982, B.A. in Economics (First Class Honours).

London School of Economics: September 1982–June 1983, M.Sc. in Mathematical Economics and Econometrics, September 1983–1984, M.Phil. in Economics (first year for the Ph.D.).

Massachusetts Institute of Technology: September 1984–March 1986, Visiting Scholar.

London School of Economics: April–July 1986, Completion of the Ph.D. in Economics. Thesis: *The Role of Contracts in Industrial Organization Theory*.

Military Service: September 1979–September 1980 in the French Army.

Honors:

Fellow, Econometric Society (elected 1993).  
Fellow, American Academy of Arts and Sciences (elected 2009)

Academic Appointments:

Assistant Professor, University of California at Berkeley, Department of Economics; August 1986–July 1987.

Assistant Professor, Harvard University, Department of Economics; August 1987–1990 (on leave for the academic year 1989–1990).

Chargé de Recherche, Laboratoire d'Econometrie de l'Ecole Polytechnique, (Paris) 1989–1991.

Charge de cours associé, Institut d'Etudes Européennes de l'Université Libre de Bruxelles, September 1990–1991.

Cassel Professor of Economics with special reference to Money and Banking, London School of Economics, September 1991–1994.

Charge de cours associé, Institut d'Etudes Européennes de l'Université Libre de Bruxelles, September 1994–June 1998

Senior Research Fellow at Center, Tilburg University, January 1996–June 1998.

Visiting Professor, Princeton University, September 1997–98.

John H. Scully '66 Professor of Finance, Princeton University, September 1998–2005.

Visiting Research Fellow, International Monetary Fund, October 2001 – March 2002.

Visiting Professor, Graduate School of Business, University of Chicago Fall 2004.

Barbara and David Zalaznick Professor of Business, Graduate School of Business and Department of Economics, Columbia University, September 2005-Present

Member of the Committee on Global Thought at Columbia University, September 2008-Present

Co-Director of the Center for Contract and Economic Organization, Columbia Law School

Founding Director of the Institute for Advanced Study of Toulouse, September 2011-Present

Teaching Experience: Intermediate Microeconomics, Industrial Organization, Antitrust Law and Economics, Contract Theory, Mathematics for Economists, Corporate Finance.

Other Professional Activities:

Managing Editor, *Review of Economic Studies*, 1995 – 1999,

Managing Editor, *The B.E. Journals in Theoretical Economics*, 2001 – 2003,

Managing Editor, *The Journal of the European Economic Association* 2003 – 2008

Member of the Editorial Boards of: *Review of Economic Studies* (1990–2001), *Econometrica* (1990–93), *Annales d'Economie et de Statistique* (1990–2000), *Economic Policy* (1990–92), *Journal of Financial Intermediation* (2001-present), *Review of Finance* (2004-2005), *Theoretical Economics* (2005-present), *International Journal of Central Banking* (2009-present)

NBER Research Fellow

Fellow of the CEPR and of the European Financial Network.

Founder member and Fellow of ECGI (2002-present)

Past member of the Council of the European Economic Association.

American Finance Association, Board of Directors, 2007-2010.

Co-organizer of the European Summer Symposium in Economic Theory at the Studienzentrum, Gerzensee, Switzerland (1991– 2000).

Consulting:

Department of Justice, Antitrust Division.

Lexecon on *BskyB vs. OFT* case, 2002.

Outside Activities 2006-2011:

Academic Advisory Board of the Max Planck Institute for Research on Collective Goods, 2006-Present  
Scientific Committee of the Swiss Finance Institute, 2007-Present  
Sovereign Wealth Fund Research Initiative – Advisory Board Member 2010-present  
Director of the Institute for Advanced Study of Toulouse (while on leave for the academic year 2011-2012).

Published Works:

BOOKS:

*Contract Theory*, with Mathias Dewatripont, MIT Press, 2005  
(Simplified Chinese Language Edition, 2008. Shanghai People's Publishing House)

*Credit Markets for the Poor*, with Howard Rosenthal (eds), Russell Sage Foundation, 2005  
(Simplified Chinese Language Edition, 2011. Shanghai University of Finance and Economics Press)

*The Economics of Contracts*, (editor), Edward Elgar Publishing Inc., 2008

*Sovereign Wealth Funds and Long-Term Investing*, with Frederic Samama and Joseph E. Stiglitz (eds), Columbia University Press, 2011

ARTICLES:

“Contracts as a Barrier to Entry,” with Philippe Aghion, *American Economic Review*, 77(3): 388–401, June 1987;

Reprinted in:

- 1) *Industrial Economics*, Ed. Oliver Williamson, Edward Elgar Publishing Limited, Cheltenham, 1990.
- 2) *Antitrust and Competition Policy*, Ed. Andrew N. Kleit, Edward Elgar Publishing Limited, Cheltenham, 2004.
- 3) *The Economics of Antitrust Law*, Ed. Benjamin Klein and Andres V. Lerner, Edward Elgar Publishing Limited, Cheltenham, 2008.

“Vertical Restraints in a Model of Vertical Differentiation,” with Giacomo Bonanno, *Quarterly Journal of Economics* CIII(3), 414: 555–570, August 1988.

“The Financial Structure of the Firm and the Problem of Control,” with Philippe Aghion, *European Economic Review*, May 1989.

“A Theory of Predation Based on Agency Problems in Financial Contracting,” with David Scharfstein, *American Economic Review* 80(1): 93–106, March 1990.

Reprinted in Michael J. Brennan (ed.), *The Theory of Corporate Finance*, Cheltenham: Edward Elgar Publishing Ltd., 1996.

“Renegotiation and the Dynamics of Contract Design,” *European Economic Review*, May 1990.

“Government Domestic Debt and the Risk of Default: A Political-Economic Model of the Strategic Role of Debt,” with Philippe Aghion, in *Capital Markets and Debt Management*, Eds. R. Dornbusch and M. Draghi, MIT Press, 1990.

“Decentralization, Duplication and Delay,” with Joseph Farrell, *Journal of Political Economy* 98(4): 803–826, August 1990.

“The Foreclosure Effects of Vertical Mergers,” with Michael D. Whinston, *Journal of Institutional and Theoretical Economics*, 147: 207–226, March 1991.

“Optimal Learning by Experimentation,” with P. Aghion, C. Harris, B. Jullien, *Review of Economic Studies* 58(4), 196: 621–654, July 1991.

“An Incomplete Contracts Approach to Financial Contracting,” with P. Aghion, *Review of Economic Studies* 59(3), 200: 473–494, July 1992.

Reprinted in Michael J. Brennan (ed.), *The Theory of Corporate Finance*, Cheltenham: Edward Elgar Publishing Ltd., 1996.

“Distribution and Growth in Models of Imperfect Capital Markets,” with P. Aghion, *European Economic Review, Papers and Proceedings of the 6th Annual Congress of the European Economic Association*, 36(2/3): 603–611, April 1992.

“Privatization in Central and Eastern Europe,” with G. Roland, *Economic Policy* 15: 275–303, October 1992.

Reprinted in S. Wheeler (ed.) *A Reader on the Law of the Business Enterprise*, Oxford University Press, 1995

“Debt-Renegotiation,” with D. Scharfstein, *New Palgrave Dictionary in Money and Finance*, 1992.

“Incomplete Contracts, Vertical Integration and Supply Assurance,” with Michael D. Whinston, *Review of Economic Studies* 60(1), 202: 121–148, January 1993.

“The Firm as a Communication Network,” with Mathias Dewatripont, *Quarterly Journal of Economics* CIX(4), 439, 809–839, December 1994.

Reprinted in:

- 1) Mark Casson (ed.), *The Theory of the Firm*, Cheltenham: Edward Elgar Publishing Ltd., 1997.
- 2) Bernard Sinclair-Desgagne (ed.), *Corporate Strategies for Managing Environmental Risk, The International Library of Environmental Economics and Policy*, Volume XX, Ashgate Publishing Ltd., 2004.

“Privatization, and the Separation of Ownership and Control: Lessons from Chinese Enterprise Reform,” *Economics of Transition*, 3(1): 1–12, 1995.

“The Time and Budget Constraints of the Firm,” with Mathias Dewatripont, *European Economic Review* 39, 691–699, 1995.

“Optimal Debt Structure with Multiple Creditors,” with David Scharfstein, *Journal of Political Economy*, 104, 1–26, 1996.

Reprinted in:

- 1) Bruno Biais and Marco Pagano (eds.), *New Research in Corporate Finance and Banking*, Oxford University Press, 2002.
- 2) Edward R. Morrison (ed.), *Economics of Bankruptcy*, Edward Elgar Publishing, 2012.

“Economic Theories of the Break-up and Integration of Nations,” with Gerard Roland and Enrico Spolaore, *European Economic Review*, May 1996.

“Distributional Conflicts, Factor Mobility and Political Integration,” with Gerard Roland, *American Economic Review, Papers and Proceedings*, May 1996.

“A Theory of Trickle-Down Growth and Development,” with Philippe Aghion, *Review of Economic Studies*, April 1997, 64, 151–172.

“The Break up of Nations: A Political Economy Analysis,” with Gerard Roland, *Quarterly Journal of Economics*, November 1997.

“Blocks, Liquidity, and Corporate Control,” with Ernst-Ludwig von Thadden, *Journal of Finance*, February 1998.

“Liquidity and Control: A Dynamic Theory of Corporate Ownership Structure”, with Ernst-Ludwig von Thadden, *Journal of Institutional and Theoretical Economics*, 154, 177-209, March 1998.

“Corporate Finance, the Theory of the Firm, and Organization,” with David Scharfstein, *Journal of Economic Perspectives*, Winter 1998.

“Strategic Experimentation,” with Christopher Harris, *Econometrica*, March 1999.

“Optimal Design of Bank Bailouts: The Case of Transition Economies”, with Philippe Aghion and Steven Fries, *Journal of Institutional and Theoretical Economics*, 155, 51-70, March (1999).

Reprinted in Sudipto Bhattacharya, Arnoud Boot, and Anjan Thakor (eds.), *Credit, Intermediation, and the Macroeconomy*, Oxford University Press, 2004.

“Equity Bonds and Bank Debt: Capital Structure and Financial Market Equilibrium under Asymmetric Information”, with Xavier Freixas, *Journal of Political Economy*, April 2000.

“Contagious bank failures in a free banking system”, with Philippe Aghion and Mathias Dewatripont, *European Economic Review*, May 2000.

“Predatory Pricing: Strategic Theory and Legal Policy”, with Joseph Brodley and Michael Riordan, *The Georgetown Law Journal*, August 2000.

Awarded the first Annual *Jerry S. Cohen Memorial Award* for Antitrust Scholarship in June 2002.

“Strategic Experimentation: the Undiscounted Case”, with Christopher Harris, in “Incentives, Organization and Public Economics: Papers in Honour of Sir James Mirrlees”, Peter Hammond and Gareth Myles (eds.) Oxford University Press, 2000.

“Predatory Pricing: Response to Critique and Further Elaboration”, with Joseph Brodley and Michael Riordan, *The Georgetown Law Journal*, August 2001.

“The Political Economy of Debt Moratoria, Bailouts and Bankruptcy”, with Howard Rosenthal in Marco Pagano (ed.) “Defusing Default”, IDB Publication, Washington DC, 2001.

“Incentive Effects of Conditional Bank Recapitalisation: Lending and Disclosure of Non-Performing Loans”, with Philippe Aghion and Steven Fries in Hiroshi Osano and Toshiaki Tachibanaki (eds.) *Banking, Capital Markets and Corporate Governance*, Palgrave, Oxford, November 2001.

“The Great Divide and Beyond: Financial Architecture in Transition”, with Erik Berglof, *Journal of Economic Perspectives*, Vol. 16, No. 1, Winter 2002.

Reprinted in:

- 1) Charles Goodhart, (ed.), *Financial Development and Economic Growth*, Palgrave, MacMillan, 2004.
- 2) *Comparative Studies*, CITIC Publishing House, Beijing, Vol. 2, 11-34, 2002

“Political Intervention in Debt Contracts”, with Howard Rosenthal, *Journal of Political Economy*, 110, 1103-34, October 2002.

“On the Design of Bank Bailout Policy in Transition Economies”, with Philippe Aghion and Steven Fries in Anna Meyendorff and Anjan V. Thakor (eds.) *Designing Financial Systems in Transition Economies: Strategies for Reform in Central and Eastern Europe*, MIT Press, 2002.

“Banking in Emerging Markets”, *Journal of Financial Intermediation*, Vol. 11, 362-65, 2002

“Corporate Governance and Control”, with Marco Becht and Ailsa Roell, the *Handbook of the Economics of Finance*, edited by George Constantinides, Milton Harris and René Stulz, North-Holland, 2003.

“Towards a statutory approach to sovereign debt restructuring: Lessons from Corporate Bankruptcy Practice around the World”, *IMF Staff Papers*, 2003

“Incomplete Social Contracts”, with Philippe Aghion, *Journal of the European Economic Association*, Vol. 1, 38-67, 2003

“Inside the Black Box: How Should A Sovereign Bankruptcy Framework be Structured?” with David A. Skeel, *Emory Law Journal*, 53, 763-822, 2004

“Exit Options in Corporate Finance: Liquidity versus Incentives”, with Philippe Aghion and Jean Tirole, *Review of Finance* 8: 1–27, 2004

“Liquidity and financial instability: an introduction”, with Franklin Allen, *Journal of the European Economic Association*, Vol. 2, Issue 6, 2004

“Redesigning the International Lender of Last Resort”, with David A. Skeel, *Chicago Journal of International Law*, Summer 2005

“Corporate Finance and the Monetary Transmission Mechanism” with Xavier Freixas, *The Review of Financial Studies*, 2006 19: 829-870.

Winner of the *Review of Financial Studies* BGI / Michael Brennan Best paper award for 2006

“Executive Compensation and Short-termist Behavior in Speculative Markets”, with José Scheinkman and Wei Xiong, *The Review of Economic Studies*, 2006, 73, 577-611

“An introduction to the governance and taxation of not-for-profit organizations,” with Hamid Mehran, *Journal of Accounting and Economics*, 2006, 41: 293-305

“Pay for Short-Term Performance: Executive Compensation in Speculative Markets”, with José Scheinkman and Wei Xiong, *The Journal of Corporation Law*, 2006, 30(4), 721-748

Winner of the *Standard Life Investments Finance Prize* for the best paper in the ECGI Finance Working Paper Series

Reprinted in *Foundations of Corporate Law (2<sup>nd</sup> edition)*, Roberta Romano (editor), 2010, Foundation Press

“Corporate Law and Governance”, with Marco Becht and Ailsa Roell, in the *Handbook of Law and Economics* edited by A. M. Polinsky and S. Shavell, November 2007.

“Conflicts of Interest, Information Provision and Competition in the Financial Services Industry”, with Joel Shapiro and Xavier Freixas, *Journal of Financial Economics*, 2007, 82-2: 297-330.

“Odious debts or odious regimes?” with David Skeel, in *Law and Contemporary Problems*, 2007

Reprinted in:

Robert W. Kolb, (ed.), *Sovereign Debt: From Safety to Default*, Wiley, March 2011.

“Structuring and Restructuring Sovereign Debt: The role of a Bankruptcy Regime”, with Olivier Jeanne, *Journal of Political Economy*, 2007

“How Can Emerging market Economies Benefit from a Corporate Bond Market?”, with Xavier Freixas in *Bond Markets in Latin America: On the Verge of a Big Bang?*, Eduardo Borensztein, Kevin Cowan, Barry Eichengreen and Ugo Panizza, MIT Press, 2008

“Structuring and Restructuring Sovereign Debt: The role of Seniority”, with Olivier Jeanne, *Review of Economic Studies*, 2009

“Thinking Ahead: The Decision Problem”, with Antoine Faure-Grimaud, *Review of Economic Studies*, 2009

“Market and Public Liquidity”, with Tano Santos and Jose Scheinkman, *American Economic Review*, May 2009

“How to rethink sovereign bankruptcy: a new role for IMF?”, with David A. Skeel, Jr. in *Overcoming Developing Country Debt Crises*, Barry Herman, Jose Antonio Ocampo and Shari Spiegel (eds.), Oxford University Press, 2010

“Satisficing Contracts”, with Antoine Faure-Grimaud, *Review of Economic Studies*, July 2010

“Economists’ Perspectives on Leadership”, with Laura Veldkamp and Markus Brunnermeier, in *Handbook of Leadership and Theory*, Nitin Nohria and Rakesh Khurana (eds.), Harvard Business Press, 2010

“Outside and Inside Liquidity”, with Tano Santos, and José Scheinkman, *Quarterly Journal of Economics*, 126(1): 259-321 (2011)



“Credit Default Swaps and the Empty Creditor Problem”, with Martin Oehmke, *Review of Financial Studies*, 24 (8): 2617-2655 (2011)

Winner of the 2010 *Goldman Sachs International Best Conference Paper Award* at the European Finance Association annual meetings

“A Unified Theory of Tobin's q, Corporate Investment, Financing, and Risk Management”, with Hui Chen and Neng Wang, *Journal of Finance*, 66(5), 1545-1578 (2011)

“Optimal Property Rights in Financial Contracting”, with Kenneth Ayotte, *Review of Financial Studies*, 24(10): 3401-3433 (2011)

“The Credit Ratings Game”, with Xavier Freixas and Joel Shapiro, *Journal of Finance*, forthcoming (2011)

“Authority in Organizations: A Survey”, with Mathias Dewatripont in the *Handbook of Organizational Economics* (Robert Gibbons and John Roberts, eds.), Princeton University Press, forthcoming 2011

“Covenant lite lending, liquidity, and standardization of financial contracts”, with Kenneth Ayotte, in *Research Handbook on the Economics of Property Law*, Kenneth Ayotte and Henry E. Smith (eds.), Edward Elgar, Cheltenham, UK, (2011)

“Les fonds souverains : de menace à opportunité”, with Frédéric Samama, Note *Terra Nova*, 30 Juin 2011, <http://www.tnova.fr/note/les-fonds-souverains-de-menace-opportunit>

“Sovereign Default Risk in Financially Integrated Economies”, with Olivier Jeanne, *IMF Economic Review* Volume 59, Issue 2: 162-194 (2011)

“Why Bank Governance is Different”, with Marco Becht and Ailsa Roell, *Oxford Review of Economic Policy*, Volume 27, Number 3, pp. 437–463 (2011)

“Capital Access Bonds: Contingent Capital with an Option to Convert”, with Frederic Samama, *Economic Policy*, pp. 275–317, April (2012)

#### Working Papers and Work in Progress:

“Should Derivatives be Privileged in Bankruptcy?” with Martin Oehmke, (2011) NBER Working Paper Number 17599

“Cream Skimming in Financial Markets” with Tano Santos and Jose Scheinkman (2011). Available at SSRN: <http://ssrn.com/abstract=1770065>

Winner of the 2011 Jaime Fernandez de Araoz best paper prize in Corporate Finance

“Market Timing, Investment, and Risk Management” with Hui Chen and Neng Wang (2011). Available at SSRN: <http://ssrn.com/abstract=1571149>

“The Dynamics of Optimal Risk Sharing”, with Christopher Harris (2010), NBER Working Paper Series, No: 16094, available at SSRN: <http://ssrn.com/abstract=1626584>

“Executive Compensation and Risk Taking”, with Hamid Mehran, and Joel Shapiro (2010), available at SSRN: <http://ssrn.com/abstract=1635349>

“Intracompany Governance and Innovation”, with Sharon Belenzon, and Tomer Berkovitz, (2009). NBER Working Paper No. w15304.

“Leadership, Coordination and Mission-Driven Management”, with Laura Veldkamp and Markus Brunnermeier, June 2007, available at: <http://pages.stern.nyu.edu/~lveldkam/research.html>

Winner of the 2008 JP Morgan Prize for the best paper at the Utah Winter Finance Conference

“L-Shares: Rewarding Long-term Investors”, with Frederic Samama, September 2010, mimeo

“Towards an International Green Fund”, with Roger Guesnerie and Frederic Samama, October 2010, mimeo

“The Employment Relation and the Theory of the Firm: Arm’s Length Contracting versus Authority”, with Ashvin Rajan, (2001), mimeo

“The Principle of Maximum Deterrence Revisited” (1987), mimeo, U.C. Berkeley

“The Economics of Mass Privatization: Czechoslovakia, East Germany, Hungary and Poland,” with Gerard Roland, Financial Markets Group discussion paper 155, November 1992, London School of Economics.

“Strategic Experimentation,” with Christopher Harris, Suntory-Toyota discussion paper TE/93/261, February 1993, London School of Economics.

“Strategic Experimentation: a Revision,” with Christopher Harris, Center Discussion Paper, University of Tilburg, March 1996.

“A Dilution Cost approach to Financial Intermediation and Securities Markets” with Xavier Freixas, Financial Markets Group discussion paper 305, 1998, London School of Economics.

“Ownership and Managerial Competition: Employee, Customer or Outside Ownership”, with Chenggang Xu, mimeo March (1999)

#### Discussions:

Comments on “Financial Intermediation, Equilibrium Credit Rationing, and Business Cycles” by H. Wijkander, in Lars Werin and Hans Wijkander (eds.), *Contract Economics*, 1992.

Discussion of “Financial Contracting Theory” by M. Harris and A. Raviv and “Collusion and the Theory of Organisations” by J. Tirole, in Jean-Jacques Laffont (ed.), *Advances in Economic Theory*, 1992.

Discussion of “Bank Loan Maturity and Priority when Borrowers can Refinance,” by Douglas Diamond, in Colin Mayer and Xavier Vives (eds.), *Capital Markets and Financial Intermediation*, 1993.

Discussion of “Who Should Act as Lender of Last Resort? An Incomplete Contracts Model” by Rafael Repullo, in *Journal of Money, Credit and Banking* (Fall, 2000)

Book Review of “Are Predatory Commitments Credible?” by John R. Lott, Jr., Chicago University Press, in *Journal of Economic Literature*, September 2000

“Predatory Pricing”, Federal Trade Commission and Department of Justice Hearings on on Section 2 of the Sherman Act: Single-Firm Conduct As Related to Competition, June 22, 2006