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### **Current Positions**

- Director of Financial Research and Executive Vice President, Research and Statistics Group, Federal Reserve Bank of New York  
Employed at the Federal Reserve Bank of New York since August 1997, current position held since January 2010.
- Fellow, Wharton Financial Institutions Center, The University of Pennsylvania  
September 2001 – Present

### **Previous Employment**

- Senior Economist and Policy Adviser  
Federal Reserve Bank of Philadelphia  
Employment: September 1988 - August 1997.
- Visiting Instructor  
The University of Pennsylvania, Department of Economics  
September 1991 – May 2008.
- Instructor  
University of Iowa and Cornell College  
September 1985 - May 1988.

### **Education**

- The University of Iowa, Ph.D., Economics, *Strategy of Role Choice*, December 1988.
- The University of Iowa, B.A., Economics, December 1979.

### **Fields of Specialization**

- Central Banking
- Money, Banking, and Financial Markets
- Monetary and Financial Economics and the Economics of Payments

## Publications

“Challenges and Lessons of the Federal Reserve’s Monetary Policy Operations During the Financial Crisis,” joint with Spence Hilton. Proceedings of the Sixth ECB Central Banking Conference: *Approaches to monetary policy revisited – lessons from the crisis*. Forthcoming, 2011.

“Payment Systems,” joint with Ed Nosal and Guillaume Rocheteau. Annual Review of Financial Economics, Volume 3, Forthcoming, 2011.

“Precautionary Reserves and the Interbank Market,” joint with Adam Ashcraft and David Skeie, *Journal of Money, Credit, and Banking*, 2010.

“A study of competing designs for a liquidity saving mechanism,” joint with Antoine Martin, *Journal of Banking and Finance* 34, 1818–1826, 2010.

“Should there be intraday money markets?” joint with Antoine Martin, *Contemporary Economic Policy* 28, 110–122, 2010.

“Settlement Delays in the Money Market,” joint with Leo Bartolini and Spence Hilton, *Journal of Banking and Finance*, Elsevier, vol. 34(5), pages 934-945, May, 2010.

“Why Are Banks Holding So Many Excess Reserves?” joint with Todd Keister, *Current Issues in Economics and Finance*, December, Volume 15, Number 8, 2009.

“Rating the Raters: Are Reputation Concerns Powerful Enough to Discipline Rating Agencies,” joint with Jerome Mathis and Jean-Charles Rochet, *Journal of Monetary Economics*, vol. 56, issue 5, pages 657-674, 2009.

“Payments’ Systems,” joint with David Humphrey, *The Oxford Handbook of Banking*, 2009.

“The Economics of the Primary Dealer Credit Facility,” joint with Tobias Adrian and Chris Burke, Federal Reserve Bank of New York *Current Issues in Economics and Finance* Volume 15, Number 4, 2009.

“The Federal Reserve’s Term Auction Facility,” joint with Olivier Armantier and Sandy Krieger, Federal Reserve Bank of New York *Current Issues in Economics and Finance* July, Volume 14, Number 5, 2008.

“Liquidity Savings Mechanisms,” joint with Antoine Martin, *Journal of Monetary Economics* 55, 554-567, 2008.

“An Economic Analysis of Liquidity-Saving Mechanisms,” joint with Antoine Martin, Federal Reserve Bank of New York, *Economic Policy Review*, Volume 14, No. 2, September, 2008.

“Changes in the Timing Distribution of Fedwire Funds Transfers,” joint with Olivier Armantier and Jeffrey Arnold, Federal Reserve Bank of New York, *Economic Policy Review*, Volume 14, No. 2, September, 2008.

“Understanding Risk Management in Emerging Retail Payments,” joint with Michele Braun, William Roberds, and Richard Sullivan, Federal Reserve Bank of New York, *Economic Policy Review*, Volume 14, No. 2, September, 2008

“Divorcing Money from Monetary Policy,” joint with Todd Keister and Antoine Martin, Federal Reserve Bank of New York, *Economic Policy Review*, Volume 14, No. 2, September, 2008.

“The Microstructure of Money,” in Andrew Haldane, Stephen Millard, and Victoria Saporta (eds.) *The Future of Payment Systems*, London, Routledge, 2008.

“Funding Levels for the New Accounts in BOJ-Net,” joint with Kei Imakubo, (2006) December, Bank of Japan Working Paper Series No. 06-E21 reprinted in Harry Leinonen, (ed.) *Simulation studies of liquidity needs, risks and efficiency in payment networks*, Bank of Finland, 2007.

“Alternative Arrangements for the Distribution of Intraday Liquidity.” Federal Reserve Bank of New York *Current Issues in Economics and Finance* 12, no. 3, 2006.

“Money is Privacy,” joint with Charles Kahn and William Roberds, *International Economic Review*, Vol. 46, No. 2, May 2005.

“Simulations of Failure in a Payment System,” joint with George Wasilyew, *Liquidity, Risks and Speed in Payment and Settlement Systems—A Simulation Approach*, Harry Leinonen, ed., Bank of Finland 2005.

“Economizing on Liquidity with Deferred Settlement Mechanisms,” joint with Kurt Johnson and Kimmo Soramaki, *Economic Policy Review*, Vol. 10, No. 2, December 2004; reprinted in Harry Leinonen, (ed.) *Liquidity, Risks and Speed in Payment and Settlement Systems—A Simulation Approach*, Bank of Finland, 2005.

“To Surcharge or Not To Surcharge: An Empirical Analysis of ATM Pricing,” joint with Tim Hannan, Elizabeth Kiser, and Robin Prager, *Review of Economics and Statistics*, Vol. 85, Issue 4, pp. 990 –

1002, November 2003.

"ATM Network Pricing: A Review of the Literature," *Review of Network Economics*, Volume 2, Issue 2, pp. 146-158, 2003.

"Settlement Risk under Gross and Net Settlement," joint with Charles Kahn and William Roberds, Vol 35 No. 4, August, pp.591-608, *Journal of Money, Credit and Banking*, 2003.

"Liquidity Effects of the Events of September 11, 2001," joint with Simon Potter, *Economic Policy Review*, Federal Reserve Bank of New York, Volume 8, Number 2, November 2002.

"E-Finance: An Introduction," joint with Franklin Allen and Philip Strahan, *Journal of Financial Services Research*, 22:1/2 pp. 5-27, September 2002.

"Deregulation, Correspondent Banking and the Role of the Federal Reserve," joint with Philip Strahan, *Journal of Financial Intermediation*, Vol. 11, No. 3, pp. 320-343, July 2002.

"The Consolidation of European Stock Exchanges," joint with Chris Stefanadis, *Current Issues in Economics and Finance*, Federal Reserve Bank of New York, Volume 8, Number 6, June 2002.

"Personal Online Payments," joint with Kenneth Kuttner, *Economic Policy Review*, Federal Reserve Bank of New York, Volume 7, Number 3, December 2001.

"New Payment System Design: Causes and Consequences," joint with John Trundle, *Financial Stability Review*, Bank of England, December 2001.

"The Economics of Check Float," joint with William Roberds, FRB Atlanta *Economic Review* 85 Fourth Quarter, 1-11, 2000.

"Electronic Communications Networks in U.S. Equity Markets," joint with Chris Stefanadis, *Current Issues in Economics and Finance*, Federal Reserve Bank of New York, Vol. 6, No. 12, October 2000.

"The Timing and Funding of Fedwire Funds Transfers," joint with Samira Rajan, *Economic Policy Review*, Federal Reserve Bank of New York, Vol. 6, No. 2, July 2000.

"Opening the 'Black Box' of Network Externalities in Network Adoption," joint with Robert Kauffman and Yu-Ming Wang, *Information Systems Research*, Volume 11, No. 1, March 2000.

"General Equilibrium Analysis of Check Float," joint with William Roberds, *Journal of Financial Intermediation*, Vol. 8 No. 4, December 1999.

"Comment on Demandable Debt as a Means of Payment: Checks v. Banknotes," *Journal of Money*,

*Credit and Banking* 31(3) pt. 2, 526-528, August 1999

"Arrangements for Access to Payment Credit," *Journal of Money, Credit and Banking* 31(3) pt. 2, 671-673, August 1999.

"E-Money and Payment System Risk," *Contemporary Economic Policy*, July 1999.

"ATM Surcharges," *Current Issues in Economics and Finance*, Federal Reserve Bank of New York, April 1998.

"Direct Presentment Regulations in Payments," *Research in Economics*, 1998, 52, 326-331.

"Joint Venture Payment Networks and Public Policy," joint with David Balto, *Electronic Banking Law and Commerce Report*, July 1998.

"Network Issues and Payment Systems," Federal Reserve Bank of Philadelphia *Business Review*, December 1997.

"Making Payments on the Internet," Federal Reserve Bank of Philadelphia *Business Review*, January 1997.

"Shared Ownership and Pricing in a Network Switch," joint with Rafael Rob, *International Journal of Industrial Organization*, 14, 727-745, 1996.

"The Automated Clearinghouse System: Moving Toward Electronic Payment," Federal Reserve Bank of Philadelphia *Business Review*, July 1994, reprinted in "Kin-Yu" the Journal of the Federation of Bankers Association of Japan, 1994-10, and in *The Financial Institutions and Markets Reader*, Third Edition, Blackwell Publ. 1996.

"Banks, Payments, and Coordination," joint with Will Roberds, *Journal of Financial Intermediation*, Volume 4, Number 4, 1995.

"Antitrust Issues in Payment Systems: Bottlenecks, Access, and Essential Facilities," Federal Reserve Bank of Philadelphia *Business Review*, November 1995.

"Can Regionalization of Local Public Services Increase a Region's Wealth?" with Richard Voith, *Journal of Regional Science*, August 1993.

"Where Has All the Paper Gone? Book-Entry Delivery-Against-Payment Systems," Federal Reserve Bank of Philadelphia *Business Review*, November 1992, reprinted in the EFTA newsletter, 1993.

"Entry Deterring Debt," joint with Leonard Nakamura, *Journal of Money, Credit, and Banking*.

February 1992.

"Network Business Value Externalities," *Perspectives on the Strategic and Economic Value of Information Technology Investment*, Rajiv Banker, M. Mahmood, and R. Kauffman, eds., Idea Group Publishers, 1992

"The Evolution of Automatic Teller Machine Networks," Federal Reserve Bank of Philadelphia *Business Review*, May 1991.

"How Will Third District Banks Fare in the 1990s?" Federal Reserve Bank of Philadelphia *Business Review*, January 1990.

### **Public Policy Papers and Memos**

"Strategy for the Stabilization, Repair, and Recovery of the U.S. Financial System," joint with FRBNY staff, December 15, 2008.

"The Term Asset Backed Security Loan Facility," with FRBNY staff, November 2008.

"Securing the Credit in the CPFF," joint with Joshua Rosenberg, October 2008.

"Pricing of 13(3) Facilities," October, 2008.

"Pricing in the CPFF," October, 2008.

"A Liquidation Facility for Triparty Repos," joint with Morten Bech and Antoine Martin. June 2008.

"Recommendation for a Term Securities Lending Facility," joint with William Dudley, Frank Keane, Lorie Logan, Debby Perelmuter, and others. Memo to FOMC. March 2008

"Term Auction Facility" joint with William Dudley, Sandy Krieger. Memo to FRB Presidents and the FOMC, December 2007.

"Economics of the Payments Risk Policy change regarding Government-Sponsored Enterprises," February 2005.

"Strategy for the Check Services of the Federal Reserve System," February 2004.

"Review of the Central Bank and International Account Services of the Federal Reserve Bank of New York," joint with Sandy Krieger, December 2003.

“Fedwire Strategy Review,” January 2003.

“A Bundled Pricing Option for Check Collection Services,” October 2002.

“A Study of Fedwire Funds Transfer Service End Users,” May 2002.

“Volume-Based Pricing for Fedwire Funds Transfers,” 1999

### **Working Papers**

“A Note on Bank Lending in Times of Large Bank Reserves,” joint with Antoine Martin and David Skeie, Staff Report, Federal Reserve Bank of New York, May 2011.

“Central Bank Credit Policies,” joint with Meg McConnell and Simon Potter, November (2008).

“Segmentation in the U.S. Dollar Money Markets During the Financial Crisis,” June 2009.

“Effects of the Term Auction Facility on the London Inter-Bank Offered Rate,” joint with Asani Sarkar and Zhenyu Wang, Staff Report number 335, July 2008.

“The Welfare Effects of a Liquidity-Saving Mechanism,” joint with Enghin Atalay, Antoine Martin (2008)

“The Economics of Two-Sided Payment Card Markets: Pricing, Adoption, and Usage.” Joint with Zhu Wang, (revised, 2008).

“Who is Calling, Please? On Anonymous Calling and Caller ID,” joint with Donald Morgan, November 2003.

### **Visiting Positions**

- *Visiting Scholar*, Bank of Japan, Spring 2005
- *Visiting Scholar*, Federal Reserve Bank of Kansas City, Fall 2004, 2005
- *Visiting Scholar*, Swiss National Bank, June 2004
- *Consultant*, Bank of England, July-August 2001
- *Visiting Scholar*, Swedish Riksbank, June 1999
- *Visiting Scholar*, Reserve Bank of Australia, December – January 1999-2000
- *Consultant*, The World Bank, South Africa, July 1997

### **Some Recent Presentations and Workshop Participation**

“Challenges and Lessons of the Federal Reserve’s Monetary Policy Operations During the Financial Crisis,” joint with Spence Hilton. Presentation at the the Sixth ECB Central Banking Conference: *Approaches to monetary policy revisited – lessons from the crisis*, November 2010.

“The Money Market Investor Funding Facility,” ASSA meetings January, 2010.

“Segmentation in the U.S. Dollar Money Markets During the Financial Crisis,” presented at the 2009 International Conference: Financial System and Monetary Policy Implementation, May 27 - 28, 2009, Institute for Monetary and Economic Studies, Bank of Japan.

Discussant, Bank of Korea International Conference, 2009. June 2, 2009.

“The Effects of TAF on the London Inter-Bank Offered Rate,” ASSA meetings, San Francisco, January, 2009, Stanford University, July 2008.

“Economics of the Primary Dealer Credit Facility,” ASSA meetings, San Francisco, January, 2009. “Policy Options in October 2008” Economic Advisory Panel and the Financial Advisory Roundtable, FRBNY, December 2008.

“The Economics of the Federal Reserve’s Liquidity Actions,” Economic Advisory Panel, FRBNY, April, 2008.

“The Eurodollar Market,” Federal Reserve Bank of Atlanta, June 2008.

“U.S. Dollar Swaps,” Banque de France, June 2008.

“Effects of the Term Auction Facility on the London Inter-Bank Offered Rate” Federal Reserve Bank of New York, May 2008, Stanford University, July 2008.

“Settlement Delays in the Money Market,” Federal Reserve Bank of Chicago, 2007.

“Settlement Risk,” Bank of Finland, August 2007.

“The Economics of Two-Sided Payment Card Markets: Pricing, Adoption, and Usage.” Competition Policy in Two-Sided Markets, IDEI, University of Toulouse, June 2006, University of Melbourne, 2006.

“Alternative Arrangements for the Distribution of Intraday Liquidity,” Bank of Japan, April 2005, Freddie Mac, May 2006, Reserve Bank of Australia, November 2005, Bank of England, June 2006.

“Money is Privacy,” Federal Reserve Bank of Kansas City, September 2004, University of

Minneapolis, May 2004, University of Iowa, June 2004.

“Current Trends in Payment Systems: A Microstructure Approach,” The Future of Payments Conference, Bank of England, May 2005.

“Who is Calling, Please? On Anonymous Calling and Caller ID,” Economics of Two-Sided Markets Conference, IDEI, University of Toulouse, January 2004, Federal Reserve Bank of Kansas City, November 2003.

“Many Uses of Fedwire,” Danmarks Nationalbank, Payments Policy Department, May 21, 2003.

“Economizing on Liquidity with Deferred Settlement Mechanisms,” Bank of Japan, March 2005, Central Bank of Finland, Workshop on Payment System Simulations, May 19, 2003

“Liquidity Effects of the Events of September 11, 2001 in U.S. Large-Dollar Payments,” Federal Reserve Bank of New York and Chicago, March 2002, European Central Bank July 2002.

“A Theory of Transactions Privacy,” Society for Economic Dynamics and Control, Stockholm, June 2001, Conference on Consumer Financial Transactions, Federal Reserve Bank of Philadelphia, May 2001,

“Deregulation and Correspondent Banking,” Bank of Canada, Federal Reserve Bank of New York, Summer 2000, Bank Structure Conference, Federal Reserve Bank of Chicago, May 2001, Bank of England, July 2001.

“To Surcharge or Not To Surcharge: An Empirical Analysis,” Reserve Bank of Australia, January 2000, Federal Reserve Bank of New York, September 2000.

“Settlement Risk under Gross and Net Settlement,” Federal Reserve Bank of New York, December 2003, Latin American Meetings of the Econometric Society, June 2000, Federal Reserve Bank of Cleveland, The University of Iowa, Spring 2000.

“Payment Intermediation and the Origins of Banking,” London School of Economics, July 2001, The University of Texas, March 2000, Swiss National Bank, Bank of Japan, Swedish Riksbank, Federal Reserve Bank of Philadelphia, Latin American Meetings of the Econometric Society.

### **Other Activities**

Member, Working Groups sponsored by the Committee on Payment and Settlement Systems on New Developments in Large Value Payment Systems, 2003- 2005, Retail Payment Systems, 1997-2002

Conference Organizer

*"The Role of Money Markets,"* May 2008, Federal Reserve Bank of New York,  
*Antitrust Activity in Card-Based Payment Systems: Causes and Consequences,* Federal Reserve Bank of New York, September 2005;  
*The Economics of Payments,* Federal Reserve Banks of Atlanta and New York, March 2004, April 2006, April 2008.  
*Conference on Financial E-Commerce,* Federal Reserve Bank of New York, February 2001

Associate Editor for issue of Conference Proceedings for the *Journal of Financial Services Research*.

**Referee Work 2000-2010**

*American Economic Review, Journal of Financial Economics, Journal of Banking and Finance, Journal of Law and Economics, Journal of Money Credit and Banking, Canadian Journal of Economics, European Economic Review, International Journal of Industrial Organization, Journal of Economic Behavior and Organization, Journal of Economics and Management Strategy, Journal of Industrial Economics, Journal of Banking and Finance, Management Science, National Science Foundation, Review of Economics and Statistics, Bank of England.*