

## **Eugene Kandel**

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### **EDUCATION**

- 1990           **Ph.D.** Business Economics and Industrial Organization, University of Chicago.  
1988           **MA** (with honors) Economics, Hebrew University.  
1987           **MBA** Economics and Econometrics, University of Chicago.  
1981           **BA** (cum laude) Economics, Hebrew University.

### **ACADEMIC POSITIONS**

- 2008           Visiting Professor, HEC, France  
2008           Visiting Professor, New Economic School, Moscow.  
2006 -         Director, Center for Financial Markets and Institutions, Hebrew University.  
2006           Visiting Professor, New Economic School, Moscow.  
2005           Visiting Professor, Olin School, Washington University.  
2004 - 05     Chairman of the Economics Department, Hebrew University  
2004 -         Emil Speyer Associate Professor of Economics, Hebrew University.  
2002 -         Member of the Center for the Study of Rationality, Hebrew University.  
2001 -         Associate Professor, School of Business and Department of Economics, Hebrew  
University.  
2001           Visiting Professor, University of Amsterdam and Tinbergen Institute.  
2000 - 01     Visiting Professor, Recanati School of Management, Tel Aviv University.  
1997 - 01     Senior Lecturer, School of Business and Department of Economics, Hebrew  
University.  
1989 - 97     Assistant Professor, Graduate School of Business, University of Rochester.  
1993 - 94     Lady Davis Fellow, Department of Economics, Hebrew University.  
1988 - 89     Lecturer, Graduate School of Business, University of Chicago.

### **EDITORIAL POSITIONS**

- 2007 -         Editor, Journal of Financial Markets.  
2007 -         Co-organizer, NBER semi-annual meetings on Market Microstructure.  
2007 -         Associate Editor, Applied Economics Research Bulletin  
2006 - 07     Co-Editor, Finance, Economic Quarterly (in Hebrew).  
2005 -         Associate Editor, Journal of Financial Research.  
2003 - 07     Associate Editor, Journal of Financial Markets.  
2002 - 05     Associate Editor, The Review of Financial Studies.

## **OTHER POSITIONS**

- 2009 Chair, Committee on the Determination of Asset Allocation for Pension Funds, Ministry of Finance.
- 2007 - 08 Member of the Governmental Committee on the Capital Market Reform (Chair: Y. Ariav, Director General of the Ministry of Finance)
- 2007- Co-Founder, Israeli Institute for Corporate Governance (non-for profit).
- 2006 - 07 Member, Governmental Committee on Corporate Governance (Chair: Prof. A. Hamdani)
- 2006 - Member of Committee – EFA conference.
- 2006 - Member of Committee – Utah Finance Conference.
- 2006 - Member of Committee – WFA conference.
- 2006 - Research Associate, European Corporate Governance Institute (ECGI).
- 2006 - 08 Director, Forum Sapir for Economic Research.
- 2006 - Member of Advisory Board, MA in Finance, New Economic School, Moscow.
- 2004 - 06 Member of the Board, Falk Institute of Economic Research.
- 2004 - Research Fellow, CEPR
- 2002 - Member of the Scientific Committee, Forum Sapir for Economic Research.
- 1999 - 05 Member of the Israeli Antitrust Court.

## **RESEARCH INTERESTS**

Financial Intermediation, Market Microstructure, Information in Financial Markets, Executive Compensation, Corporate Governance.

## **REFEREED PUBLICATIONS**

*In Search of Reasonable Executive Compensation*, CESifo Journal, 2009, forthcoming.

*Brokerage Commissions and Institutional Trades* (with M. Goldstein, P. Irvine and Z. Wiener), forthcoming at *The Review of Financial Studies*, 2009.

*Portfolio Diversification and the Decision to Go Public* (with A. Bondaryuk, M. Massa, and A. Simonov), *The Review of Financial Studies*, 21(4), November 2008, pp. 2779-2824

*A Rational Expectation Theory of Kinks in Financial Reporting* (with I. Guttman, and O. Kadan), *The Accounting Review*, 81(4), July 2006, pp. 811-848.

*Limit Order Book as a Market for Liquidity* (with T. Foucault and O. Kadan), *The Review of Financial Studies*, 18(4), November 2005, pp. 1171-1217.

*Option Value, Uncertainty and the Investment Decision* (with N. Pearson), *Journal of Financial and Quantitative Analyses*, 37(2), March 2002, pp. 341-374.

*Between Search and Walras*, (with A. Simhon), *The Journal of Labor Economics*, 20(1), January 2002, pp. 59-86.

*Flexibility vs. Commitment in Personnel Management* (with N. Pearson), *The Journal of Japanese and International Economics*, 15(4), December 2001, pp. 515-556.

*Differential Interpretation of Information in Inflation Forecasts* (with B. Zilberfarb), *The Review of Economics and Statistics*, 81(2), May 1999, pp.217-226.

*Payment for Order Flow on Nasdaq* (with L. Marx), *Journal of Finance*, 54(1), February 1999, pp. 35-66.

*Effect of Market Reform on the Trading Cost and Depths of Nasdaq Stocks* (with M. Barclay, W. Christie, J. Harris, P. Schultz), *Journal of Finance*, 54(1), February 1999 (*lead article*), pp. 1-34.

*Odd Eighths Avoidance as a Defense Against SOES Bandits* (with L. Marx), *Journal of Financial Economics*, 51(1), January 1999, pp. 85-102.

*The Effect of Transaction Costs on Stock Prices and Trading Volume*, (with M. Barclay and L. Marx), *Journal of Financial Intermediation*, 7(1), April 1998, pp. 130-150 (*lead article*).

*Nasdaq Market Structure and Spread Patterns* (with L. Marx), *Journal of Financial Economics*, 45, July 1997, pp. 61-89.

*The Right to Return*, *Journal of Law and Economics*, 39(1), April 1996, pp. 329-355.

*Differential Interpretation of Information and Trade in Speculative markets* (with N. Pearson), *Journal of Political Economy*, 103(4), August 1995, pp. 831-872.

*Peer Pressure and Partnerships* (with E. Lazear), *Journal of Political Economy*, 100(4), August 1992, pp.801-817.

Reprinted in the *Personnel Economics* volume of *The International Library of Critical Writings in Economics*, ed. Mark Blaug, Edward Edgar Publishing, 2003; Reprinted in *The Economics of Modern Business Enterprise*, volume (ed. Martin Ricketts), of *The International Library of Critical Writings in Economics*, series editor Mark Blaug, 2007.

## **OTHER PUBLICATIONS**

*Tick size, market structure and trading costs* (with W. Christie and J. Harris), *Stock Market Liquidity*, ed. G.N. Gregoriou and F.S. Lhabitant, John Wiley, Fall 2007.

*Contract Enforcement Institutions: Historical Perspective and Current Status in Russia* (with A. Greif), in *Economic Transition in Eastern Europe and Russia*, ed. E. Lazear, Hoover Institution Press, 1995, pp. 291-321.

## **PAPERS UNDER REVIEW**

*Aging Brings Myopia: VC Fund's Limited Horizon as a Source of Inefficiency* (joint with D. Leschinskii and H. Yuklea), 3<sup>rd</sup> round at the *Journal of Financial and Quantitative Analyses*.

*Theory of Dividend Smoothing* (with I. Guttman, and O. Kadan), 2<sup>nd</sup> round at the *Review of Financial Studies*.

*Stock-Based Compensation and CEO (Dis)Incentives* (with E. Benmelech, and P. Veronesi), at the *Quarterly Journal of Economics*.

*Closing Auction* (with L. Bosetti, and B. Rindi), at the *Journal of Financial Intermediation*.

*Demand for Immediacy of Execution: Time is Money* (joint with I. Tkatch), at the *Journal of Financial Intermediation*.

*Do Small Shareholders Count?* (with M. Massa, and A. Simonov), R&R at the *Journal of Financial Economics*.

## **WORK IN PROGRESS**

*Endogenous Benchmarks and Performance Evaluation* (with D. Hunter, S. Kandel, and R. Wermers)

*Shareholder Similarity and Firm Value* (with M. Massa, and A. Simonov)

## **PH.D. STUDENTS:**

*Aditya Kaul*, 1996, Committee Member; Associate Professor, University of Alberta.

*Ohad Kadan*, 2002, Co-Chair with Prof. Moty Perry; Associate Professor with Tenure at Washington University at St. Louis.

*Ilan Guttman*, 2004, Chair, Assistant Professor at Stanford University.

*Isabel Tkach*, 2005, Chair; Assistant Professor at Georgia State University.

*Harry Yuklea*, Chair, 2007, Director, Asper Center for Entrepreneurship, Hebrew U.

*Lior Amsalem* – Co-chair with Prof. Yishay Yaffe, submitted, expected in 2009.

*Konstantin Kosenko* – Chair, in progress.

*Moty Michaely* – Co-Chair with Prof. Yisrael Auman, in progress.

*Amnon Shreiber* – Chair, in progress.

Yevgeny Mugerma – Chair, in progress.

Miriam Schwartz – chair, in progress.

## **COURSES TAUGHT**

<b>BA</b>	Industrial Organization, Introductory Finance.
<b>MA</b>	Financial Economics, Seminars
<b>MBA</b>	Financial Markets, Investments, Pricing Policies, Managerial Economics, Organization of Industry, Practicum in Consulting.
<b>EMBA</b>	Managerial Economics, Trading in Financial Markets.
<b>Ph.D.</b>	Price Theory, Theory of Organizations, Market Microstructure.

## **REFEREE FOR**

Journal of Political Economy  
American Economic Review  
Journal of Finance  
Journal of Financial Economics  
Review of Financial Studies  
Quarterly Journal of Economics  
Journal of Law and Economics  
Journal of Labor Economics  
Journal of Business  
Journal of Economics and Management Strategy  
Journal of Financial Markets  
Journal of Financial Intermediation  
Journal of Financial Research  
Journal of Accounting and Economics  
Journal of Law, Economics and Organizations  
Journal of Financial and Quantitative Analyses  
Review of Finance  
Journal of International Money and Finance  
Industrial Relations  
Journal of Japanese and International Economies  
European Finance Review  
Economic Inquiry  
National Science Foundation  
Israeli Academy of Sciences  
Israeli Trustees Foundation