

LINUS WILSON

Contact Information:

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Current Position:

2008-present Assistant Professor of Finance
Department of Economics & Finance
University of Louisiana at Lafayette, Louisiana, U.S.A.

2010-present Charles & Vicki Milam/Board of Regents Support Fund
Professorship in Business Administration

Education:

2001-2007 University of Oxford, Oxford, U.K.
D.Phil. (Ph.D.) in economics, St. Cross College
[*Essays on the Financial Governance of Firms*](#)
Accepted November 2007

2004-2005 University of Pennsylvania, Philadelphia, Pennsylvania, U.S.A.
Visiting scholar in the economics department
Audited Ph.D. seminar in corporate finance at Wharton School

1998-2000 University of Oxford, Oxford, U.K.
M.Phil. in economics, Brasenose College
Option Papers: Money, Banking and Finance & Economics of Industry

1996-1997 University of Edinburgh, Edinburgh, Scotland, U.K.
Visiting student for junior year abroad

1994-1997 Georgetown University, Washington D.C., U.S.A.
A.B. *summa cum laude*, (3.92/4.00), class rank 6th of 825

Research Interests:

Bank Bailouts, Corporate Finance, Financial Contracting, Financial Institutions, Industrial Organization, Madoff fraud, Privatization, Ponzi Schemes, Theory of the Firm, and Warrants

Publications in Peer-Reviewed Journals:

1. "Investment after tragedy," 2006, *Economics Bulletin*, Vol. 4, No. 18, pp. 1-7.

2. "Hidden Debt and the Selectivity of Professional Partnerships," 2008, *Quarterly Journal of Finance and Accounting*, Vol. 47, No. 4, pp. 25-56.
3. "Business Stealing and Bankruptcy," 2009, *International Business & Economics Research Journal*, Vol. 8, No. 3, pp. 59-76.
4. "Moonlighting Entrepreneurs," 2009, *Economics Bulletin*, Vol. 29, No.3, pp. 1900-1907.
5. "Should Goldman Sachs and Morgan Stanley Try to Get Half Price on the TARP Warrants?" 2009, *Journal of Finance and Accountancy*, Vol. 2, No. 1, pp. 83-90.
6. "The Goldman Sachs Warrants," 2009, *Review of Business*, Vol. 30, No. 1, Fall 2009, pp. 4-32.
7. "The Put Problem with Buying Toxic Assets," 2010, *Applied Financial Economics*, Vol. 20, No. 1, pp. 31-35.
8. "The Biggest Warrant Auction in U.S. History," 2010, *Research in Business and Economics Journal*, Vol. 3, pp. 1-12.
9. "Common (Stock) Sense about Risk-Shifting and Bank Bailouts" with Wendy Yan Wu, 2010, *Financial Markets and Portfolio Management*, Vol. 24, No. 1, pp. 3-29.
10. "Free Exit and Social Inefficiency," 2010, *Journal of Business & Economics Research*, Vol. 8, No. 3, pp. 117-122.
11. "Slicing the Toxic Pizza: An Analysis of FDIC's Legacy Loan Program for Receivership Assets," 2010, *International Journal of Monetary Economics and Finance*, Vol. 3, No. 3, pp. 300-309. Accepted in 2010.
12. "Fixed Cost Efficiency with Infinitesimal Competitors," 2010, *Applied Economics Letters*, Vol. 17, No. 7, pp. 667-671.
13. "The Weight of Bad Governance in Foreign Mutual Funds," 2010, *Applied Economics Letters*, Vol. 17, No. 12, pp. 1189-1192.
14. "A Model for Estimating the Cancellation Probabilities of TARP Warrants," 2010, *Advances in Accounting Finance and Economics*, Vol. 3, No. 1, pp. 1-15. Accepted in 2010.
15. "Troubling Research on Troubled Assets: Charles Zheng on the U.S. Toxic Asset Auction Plan," 2011, *Econ Journal Watch*, Vol. 8, No. 1, pp. 33-38. Accepted in 2010.
16. "Estimating JP Morgan Chase's Profits from the Madoff Deposits" with Lou Davis, 2011, *The Risk Management and Insurance Review*, Vol. 14, No. 1, pp. 107-119. Accepted in 2010.

17. "Sunk Cost Efficiency with Discrete Competitors," 2011, *Southwestern Economic Review*, Vol. 38, No. 1, pp. 37-48.
18. "A Binomial Model of Geithner's Toxic Asset Plan," 2011, *Journal of Economics and Business*, Vol. 63, No. 5, pp. 349-371.
19. "Good Timing? How One Bank Cut Its Link to a \$1.2 Billion Ponzi Scheme," 2011, with Lou Davis, *Journal of Legal Economics*, Vol. 18, No. 1, pp. 1-26.
20. "Hard Debt, Soft CEOs, and Union Rents," 2011, *Managerial Finance*, Vol. 37, No. 8, pp. 736-764.
21. "Selling Citigroup: A Simulation of the U.S. Treasury's \$37 Billion TARP Share Sale," 2011, *Review of Business*, Vol. 31, No. 2. Accepted in 2010.

Papers Accepted for Publication in Peer-Reviewed Journals:

22. "Anchoring Bias in TARP Warrant Negotiations" online at <http://ssrn.com/abstract=1553969>. Accepted in 2011 by the *Journal of Economics and Business*, doi:10.1016/j.jeconbus.2011.03.002.
23. "Financing Professional Partnerships" online at <http://www.linuswilson.com/FinProfPart.pdf>. Accepted in 2009 by the *Journal of Economics and Finance*.
24. "Escaping TARP," with Wendy Yan Wu, online at <http://ssrn.com/abstract=1619689>. Accepted in 2010 by the *Journal of Financial Stability*.
25. "The Demand for Stocks and TARP Returns" online at <http://ssrn.com/abstract=1639525>. Accepted in 2011 by the *Journal of Financial Economic Policy*.
26. "Debt Overhang and Bank Bailouts" online at <http://ssrn.com/abstract=1336288>. Accepted in 2011 by the *International Journal of Monetary Economics and Finance*.
27. "Executive Options with Inflated Equity Prices" with Wendy Yan Wu online at <http://ssrn.com/abstract=1265827>. Accepted subject to revisions at the *International Journal of Managerial Finance*.

Working Papers:

1. "Does Receiving TARP Funds Make it Easier to Roll Your Commercial Paper Onto the Fed?" with Yan Wendy Wu online at <http://ssrn.com/abstract=1911454>
2. "Madoff's Dirty Money," online at <http://ssrn.com/abstract=1772266>. This paper has been on the top ten recent downloads on SSRN one or more subject lists.
3. "Managerial Ownership with Rent-Seeking Employees" online at <http://www.linuswilson.com/CEOSharesMain.pdf>

4. "Political Influence and TARP Investments in Credit Unions" online at <http://ssrn.com/abstract=1698945>. This paper has been on the top ten recent downloads on SSRN one or more subject lists.
5. "TARP's Deadbeat Banks" online at <http://ssrn.com/abstract=1527270>. This paper has been on the top ten recent downloads on SSRN one or more subject lists.
6. "TARP's Dividend Skippers" with Dobrina Georgieva online at <http://ssrn.com/abstract=1654677>. This paper has been on the top ten recent downloads on SSRN one or more subject lists.
7. "Toxic Asset Subsidies and the Early Redemption of TALF Loans" online at <http://ssrn.com/abstract=1742640>.
8. "Valuing the First Negotiated Repurchase of the TARP Warrants" online at <http://papers.ssrn.com/abstract=1404069>. This paper has been on the top ten recent downloads on SSRN one or more subject lists.

Ranks in the top 1 percent of the over 160,000 authors on the Social Science Research Network (SSRN) by downloads.

Testimony:

"Written Testimony for the House Financial Services Subcommittee on Oversight and Investigations' Hearing on 'TARP Oversight: An Update on Warrant Repurchases and Benefits to Taxpayers,'" May 11, 2010, online at <http://ssrn.com/abstract=1603513> and http://www.house.gov/apps/list/hearing/financialsvcs_dem/wilson_testimony_5.11.10.pdf

Past Teaching Experience:

Assistant Professor of Finance (and Visiting Assistant Professor of Finance), University of Louisiana at Lafayette, Lafayette, Louisiana, Department of Economics & Finance, Fall 2007 through Fall 2010

- FNAN-400, Financial Problems Analysis (3 hours x 8 sections)
- FNAN-412, International Finance (3 hours x 8 sections)
- FNAN-335 Financial Institutions & Markets (3 hours x 2 sections)

Visiting Assistant Professor of Finance, Department of Finance-Real Estate, University of Cincinnati, Ohio, U.S.A., Fall 2005 to Spring 2007

- INTB-464-International Business Finance (3 credits x 1 quarter); Undergraduate
- FIN 471-Financial Markets and Institutions (3 credits x 3 quarters); Undergraduate
- FIN 715-Global Economic Content of Business (2 credits x 2 quarters); M.B.A.
- FIN 725-Financial Economics (4 credits x 2 quarters); Masters
- FIN 751-Money and Capital Markets (4 credits x 1 quarter); Masters
- FIN 756-International Financial Markets (4 credits x 1 quarter); Masters
- FIN 761-Advanced Corporate Finance (4 credits x 1 quarter); M.B.A.
- FIN 902-Current Topics in Corporate Finance (4 hours x 2.5 weeks); Ph.D.

Stipendiary Lecturer in Economics, Keble College, Oxford University, U.K., 2002 to 2004

- Taught theory of finance (4 terms), microeconomics (2 terms), macroeconomics (2 terms), macroeconomic theory (1 term), and mathematical methods (1 term).

- Participated in subject organization and the admission of new undergraduates.
- Tutor in Game Theory, Taylor University Study Abroad, Oxford, U.K., Spring 2002
Tutor in Corporate Finance, OPUS Study Abroad, Oxford, U.K., Fall 1999

Citizenship:

United States Citizen

Professional Exams Passed:

June 2006 Passed Chartered Financial Analyst (CFA®) Level I exam
January 2010 Series 65, NASAA Uniform Investment Advisor Law Exam

Business Experience:

Intern, KPMG, L.L.P., Economic Consulting Services, Chicago, U.S.A., Summer 2002
Senior Business Analyst, A.T. Kearney, Strategy Practice, Chicago, U.S.A., 2000 to 2001

Honors and Scholarships:

- B.I. Moody College of Business Research Award, 2009-2010
- Allbritton Scholarship, 1998 to 2000
- *Phi Beta Kappa*, Georgetown University, Washington D.C., U.S.A., 1996
- Co-Valedictorian, New Albany High School, New Albany, Ohio, U.S.A., 1994

Media Mentions:

- ABCNews.com, the Associated Press, Bloomberg, *Bloomberg Businessweek* magazine, Bloomberg TV, BBC Business Daily, CNN Money, Dow Jones Newswires, *Financial Times*, *Fortune*, *New York Times*, NPR Marketplace, Reuters, and the *Wall Street Journal*.
- Has been quoted or cited in hundreds of news stories primarily on the Troubled Asset Relief Program (TARP), financial regulatory reform, and the banking industry.

Conference Presentations:

- “A Binomial Model of Geithner’s Toxic Asset Plan”: Financial Management Association 2010
- “Business Stealing and Bankruptcy”: Eastern Economic Association 2005, Washington Area Finance Association 2005, Southern Economic Association 2005, and ASSA 2006
- “Common (Stock) Sense about Risk-Shifting and Bank Bailouts”: Financial Management Association 2009 and 2009 Financial Services Institute
- “Debt Overhang and Bank Bailouts”: 26th Symposium on Money, Banking and Finance 2009, Southern Finance Association 2009, Corporate Governance & Global Financial Crisis 2010, and Financial Management Association 2010
- “Estimating JP Morgan Chase’s Profits from the Madoff Deposits”: Eastern Economic Association 2010 and the Midwestern Economic Association 2010
- “Financing Professional Partnerships”: Midwest Economics Association 2004 and IAFEP 2004
- “Free Exit and Social Inefficiency”: Eastern Economic Association 2009
- “Hard Debt, Soft CEOs, and Union Rents”: Illinois Economics Association 2003, Midwest Economics Association 2003, and ASSA 2004

- “Hidden Debt and the Selectivity of Professional Partnerships”: Eastern Economic Association 2007, Midwest Finance Association 2008, Eastern Finance Association 2008, and IAFEP 2008
- “Managerial Ownership with Rent-Seeking Employees”: Financial Management Association 2008
- “Moonlighting Entrepreneurs”: Eastern Economics Association 2009
- “Option-Based Pay with Overvalued Equity”: Midwest Finance Association 2009
- “Sunk Cost Efficiency with Discrete Competitors”: Midwest Economics Association 2008

Conference Program Committee Reviewing:

- 2007 & 2008 Eastern Finance Association
- 2008, 2009, & 2010 Financial Management Association
- 2008 & 2009 Midwest Finance Association
- 2009 Southern Finance Association

Refereeing:

Applied Financial Economics
Contemporary Economic Policy
Corporate Governance: an International Review
Economics Bulletin
Emerging Markets Finance and Trade
Journal of Banking and Finance
Journal of Economics and Business
Journal of Economics and Finance
Managerial Finance
Review of Business