

## CAROLA FRYDMAN

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### ACADEMIC POSITIONS

Professor of Finance, Kellogg School of Management, 9/2017 – present

Associate Professor of Finance, Kellogg School of Management, 7/2016 – 8/2017

Visiting Associate Professor of Finance, Kellogg School of Management, 7/2013 – 6/2016

Assistant Professor of Economics, Boston University, 7/2011 – 6/2016

Faculty Research Fellow, National Bureau of Economic Research, 2006 – present

Visiting Scholar, National Bureau of Economic Research, 7/2009 – 6/2010

Assistant Professor of Finance, MIT Sloan School of Management, 7/2006 – 6/2011

### EDUCATION

Ph.D. in Economics, Harvard University, June 2006

M.A. in Economics, Harvard University, June 2004

M.A. in Economics, Universidad de San Andrés, 2000

B.A. in Economics (*Summa cum laude*), Universidad de San Andrés, 1999

### PUBLICATIONS

1. “Rising Through the Ranks. The Evolution of the Market for Corporate Executives, 1936-2003.”  
*Management Science*, November 2019, vol. 65(11): 4951-79
2. “Financial Frictions and Employment during the Great Depression”  
(with Efraim Benmelech and Dimitris Papanikolaou).  
*Journal of Financial Economics*, September 2019, vol. 133 (3): 541-63
3. “In Search of Ideas: Technological Innovation and Executive Pay Inequality”  
(with Dimitris Papanikolaou).  
*Journal of Financial Economics*, October 2018, vol. 130(1): 1-24
4. “Investment Banks as Corporate Monitors in the Early 20<sup>th</sup> Century United States”  
(with Eric Hilt).  
*American Economic Review*, July 2017, vol. 107(7): 1938-70
5. “Economic Effects of Runs on Early ‘Shadow Banks’: Trust Companies and the Impact of the Panic of 1907”  
(with Eric Hilt and Lily Y. Zhou)  
*Journal of Political Economy*, August 2015, vol. 123(4): 902-40.
6. “Military CEOs”  
(with Efraim Benmelech)

*Journal of Financial Economics*, July 2015, vol. 117(1): 43-59.

7. “Pay Cuts for the Boss: Executive Compensation in the 1940s”  
(with Raven S. Molloy)  
*Journal of Economic History*, March 2012, vol. 72(1): 225-251.
8. “Does Tax Policy Affect Executive Compensation? Evidence from Postwar Tax Reforms”  
(with Raven S. Molloy)  
*Journal of Public Economics*, December 2011, vol. 95: 1425-1437.
9. “Executive Compensation: A New View from a Long-Term Perspective, 1936-2005”  
(with Raven E. Saks)  
*Review of Financial Studies*, May 2010, vol. 23(5): 2099-2138

#### **NON-REFEREED PUBLICATIONS**

10. “Executive Compensation in American Economic History”  
*Oxford Handbook of American Economic History*, Cain, Fishback and Rhode, eds.,  
December 2018.
11. “CEO Compensation”  
(with Dirk Jenter)  
*Annual Review of Financial Economics*, December 2010, vol. 2(1): 75-102.
12. “Learning From the Past: Trends in Executive Compensation over the Twentieth Century”  
*CEifo Economic Studies*, 2009, vol. 55: 458-481 (*on list of top downloaded papers 2010/2011*).

#### **WORKING PAPERS**

13. “Political Discretion and Antitrust Policy: Evidence from the Assassination of President McKinley”  
(with Richard B. Baker and Eric Hilt). January 2021.
14. “Securities Ratings and Information”  
(with Asaf Bernstein and Eric Hilt). February 2020.
15. “The Birth of Finance Capitalism in the United States: Securities Underwriters on Corporate Boards, 1880-1920”  
(with Eric Hilt and Lauren Mostrom). February 2021.

#### **EDITED BOOKS AND REVIEWS**

16. *Human Capital in History: The American Record*, conference volume co-edited with Leah P. Boustan and Robert Margo. 2014. Chicago: University of Chicago Press.
17. *Harriman vs. Hill: Wall Street's Great Railroad War*, by Larry Haeg. Minneapolis: University of Minnesota Press, 2013.

*Journal of Economic History*, vol. 75(1), 2015: 295-97.

18. Comments on “Executive Compensation and Corporate Governance in the U.S.: Perceptions, Facts and Challenges” by Steven N. Kaplan.  
*Cato Papers on Public Policy* vol. 2, 2012: 151-57
19. *The Creative Society—And the Price Americans Paid for it*, by Louis Galambos. New York, NY: Cambridge University Press, 2011.  
*Journal of Economic History*, vol. 72 (04), December 2012: 1006-08
20. *The Speculation Economy: How Finance Triumphed Over Industry*, by Lawrence E. Mitchell. San Francisco: Berrett-Koehler Publishers, Inc, 2008.  
*Journal of Economic History*, vol. 68 (02), June 2008: 637-38

## INVITED AND CONFERENCE PRESENTATIONS

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|------|--|
| 2020 | Scheduled: Baylor University (Finance); Toronto University (Economics); Tsinghua PBC (Finance); University of Leuven (Finance)   |
| 2020 | NY Federal Reserve; Miami Business School (Finance); Stanford (Finance)  |
| 2019 | Rice (Finance); University of Illinois (Finance); Cornell (Finance); UBC (Economic History); Frontiers in Macroeconomics and Financial History Conference, University of Bonn; UCLA Business School (Economic History); IFR Conference, Bank of Greece   |
| 2018 | AEA Meetings; Goethe University Conference on the Real Effects of Financial Crises; University of Madison-Wisconsin (Finance); Workshop on Monetary and Financial History, Cleveland Fed; Board of Governors; Tulane (Finance); UNSW (Finance)   |
| 2017 | AEA Meetings; University of Colorado Boulder (Finance); UCLA (Economic History); NBER DAE group; BI Norwegian Business School (Finance); Arizona State University (Finance); Institute for Compensation Studies, Cornell University  |
| 2016 | Global Inequality Workshop (IPR and Buffett Institute, Northwestern University); Western Finance Association Meetings; NBER Summer Institute (Corporate Finance); Warwick University (Applied Microeconomics); Michigan University (Finance); USC (Finance); Wealth Data Workshop, Stone Center on Socio-Economic Inequality (CUNY); Banking and Financial Crises – Lessons from History Conference, Chicago Fed |
| 2015 | Workshop on Monetary and Financial History, Atlanta Fed and Emory University; Chicago Booth; UCLA (Finance); Northwestern (Economic History); Northwestern (Law and Economics)   |
| 2014 | Becker Friedman Institute-INET Conference on Macroeconomic Fragility (University of Chicago); Chicago Federal Reserve; NBER Summer Institute (Development of the American Economy); Former Graduate Students Conference, Universidad de San Andrés   |
| 2013 | North American Winter Meetings of the Econometric Society; American Economic Association Meetings; Greenline BC-BU Labor Meeting; World Cliometrics Conference, Hawaii; UC Santa Barbara (Economics); Michigan University (Economic History); Illinois Institute of Technology (Finance); Wellesley College (public lecture)   |

- 2012 NBER Monetary Economics Program Meeting; Northwestern University (Economic History); Yale University (Economic History); Incentives and Risk Taking Conference, Georgia State University; Vanderbilt University (Economic History); Harvard University (Economic History); Interdisciplinary Center (IDC) Herzliya (Finance); SITE Economic History, Stanford University (Economic History); Economic History Association Meetings; Arizona State University (Economic History); NBER Meetings (Corporate Finance); London School of Economics (Finance)
- 2011 Boston University (Finance and Accounting); Tilburg University (Finance); INSEAD (Finance); Universidade Nova de Lisboa (Finance); Cornell (HR Group); Cornell (Finance and Accounting); Wharton (Finance); UC-Berkeley (Economic History); UC-Davis (Economic History); Stanford University (Economic History); Kellogg (Finance); Financial History Workshop (Rotterdam); Ohio State University (Finance); Universidad de San Andres (two talks); NBER Summer Institute (Corporate Finance; Personnel Economics)
- 2010 UCLA (Economic History); De-Paul-Chicago Fed; Northeastern University (Finance); NYU Stern (Finance); Harvard University (Labor); NBER Summer Institute (DAE); Economic History Association Meetings; Washington Area Economic History Seminar; Harvard University (Economic History); Boston University (Economics)
- 2009 MIT Sloan (IWER); Harvard University (Economic History); Duke University (Fuqua); Harvard University (Organizational Economics); University of Munich; Munich workshop on Natural Experiments and Controlled Field Studies, Munich; University of Chicago Public Policy School; Bentley University (Finance); Brandeis University (Finance); Yale University (Finance); Stanford GSB (Finance); Hass School of Business (Finance)
- 2008 Cornell University (HR Group); University of Wisconsin Madison (School of Business); University of Amsterdam (Finance); HBS (Entrepreneurial Management); Temple University (Finance); SIFR; LBS (Finance); LSE (Finance); Columbia University (Economic History); American Finance Association Meetings; Venice CESifo Workshop on Executive Pay (keynote lecture)
- 2007 Columbia University (GSB); Dartmouth University (Tuck); University of British Columbia (Economic History); Universidad de San Andrés; Vanderbilt University (Economic History); Lisbon-Sloan Seminar Series in Management; Western Finance Association Meetings
- 2006 Chicago GSB; Columbia University (Economics); Harvard Business School (NOM); LSE (Economics); MIT Sloan (Finance); Northwestern University (Economics); Stanford GSB (Economics); Stanford University (Economics); UCLA (Economics); Wharton (University of Pennsylvania); NBER Summer Institute (DAE); North American Summer Meeting of the Econometric Society; Economic History Association Meetings
- 2004 NBER Summer Institute (DAE); Rutgers University (Economic History)

## PAPER DISCUSSIONS

- 2007 “Board Structure and Price Informativeness,” by Daniel Ferreira, Miguel Ferreira, and Clara Raposo, Lisbon/Sloan Seminar Series - Corporate Finance and Governance Workshop
- 2008 “Which CEO Characteristics and Abilities Matter?” by Steve N. Kaplan, Mark M. Klebanov, and Morten Sorensen, AFA Meetings

- 2009 “Slum Clearance and Urban Renewal in the United States, 1949-1974,” by William J. Collins and Katharine L. Shester, AEA Meetings
- 2009 “Incentive Effects of Equity Compensation: Employee-level Evidence from Google,” by Bo Gowgill and Eric Zitzewitz, NBER Productivity Potpourri Workshop
- 2010 “Managerial Attributes and Executive Compensation,” by John R. Graham, Si Li, and Jiaping Qiu, AFA Meetings
- 2010 “Executive Compensation, Incentives, and the Role for Corporate Governance Regulation,” by David L. Dicks, AFA Meetings
- 2010 “CEO Turnover in a Competitive Assignment Framework,” by Andrea L. Eisfeldt and Camelia M. Kuhnen, WFA Meetings
- 2011 “Do Republican Managers Adopt Conservative Corporate Policies?,” by Irena Hutton, Danling Jiang, and Alok Kumar, AFA Meetings
- 2011 “To Each According to His Ability? The Returns to CEO Talent,” by Antonio Falato, Dan Li, and Todd Milbourn, Duke/UNC Finance Conference
- 2011 “Generalists versus Specialists: Managerial Skills and CEO Pay,” by Claudia Custodio, Miguel A. Ferreira, and Pedro Matos, Nova Finance Center Conference on Executive Compensation
- 2011 “CEO Wage Dynamics: Evidence from a Learning Model,” by Lucian Taylor, WFA Meetings
- 2012 “CEO Pay and Information Technology,” by Heekyung H. Kim and Erik Brynjolfsson, NBER Productivity, Innovation, and Technology Meetings
- 2012 “Executive Compensation and Corporate Governance in the U.S.: Perceptions, Facts and Challenges,” by Steve N. Kaplan, CATO Papers in Public Policy Conference, June 2012
- 2013 “Blinded by Incentives: Do Rank and File Stock Options Deter Employee Whistle-Blowing?,” by Andrew C. Call, Simi Kedia and Shivaram Rajgopal, AFA Meetings
- 2013 “On the Determinants of the Non-Voting Shares’ Discount: Investor Preferences and Fundamentals,” by Fabio Braggion and Mariassunta Giannetti, Rothschild Caesarea IDC Conference
- 2013 “Leverage and Beliefs: Risk Taking and Personal Experience in Collateralized Lending Transactions on the Amsterdam Stock Market, 1770-1775,” by Peter Koudijs and Hans-Joachim Voth, NBER Corporate Finance Meeting
- 2014 “Corporate Governance and the Development of Manufacturing Enterprises in Nineteenth-Century Massachusetts,” by Eric Hilt, Economic History Association Meeting at ASSA
- 2014 “The Death Sentence, Organizations and Firm Performance,” by Francisco Perez Gonzalez, NBER Corporate Finance Meeting
- 2015 “Executive Gatekeepers: The Paradox of Lawyers in the Firm,” by Adair Morse, Wei Wang and Serena Wu, Econometric Society Winter Meeting
- 2015 “Political Democratization and Corporate Governance,” by Naomi Lamoreaux, XVIIth World Economic History Congress, Kyoto, Japan
- 2015 “Ownership and Performance in European Big Business: The Longitudinal Perspective,” by Andrea Colli, XVIIth World Economic History Congress, Kyoto, Japan
- 2015 “What Did Corporate Executives, Outside Directors and Large Shareholders Really Do? Corporate Governance of Tokyo Marine Co. and Taisho Marine Co. in Mitsubishi and Mitsui Zaibatsu,” by Tetsuji Okazaki, XVIIth World Economic History Congress, Kyoto, Japan
- 2015 “The Choice of Organizational Form among American Investment Banks, 1890-1990,” by Eric Hilt, XVIIth World Economic History Congress, Kyoto, Japan
- 2015 “Does Disclosure Affect CEO Pay Setting? Evidence from the Passage of the 1934 Securities and Exchange Act,” by Alexandre Mas, NBER Organizational Economics Working Group Meeting

- 2016 “Golf Buddies and Corporate Board Membership: The Influence on Gender Diversity,” by Sumit Agarwal, Wenlan Qian, David M. Reeb, and Tien Foo Sing, AEA Meetings
- 2016 “Labor Unemployment Risk and CEO Incentive Compensation,” by Andrew Ellul, Cong Wang, and Kuo Zhang, AFA Meetings
- 2016 “Market-Driven Compensation Contagion—Evidence Based on the S&P 500 Index Recomposition Events,” by Jun Yang, Gonul Colak and Pengfei Ye, SFS Cavalcades
- 2016 “Bankruptcy and Investment: Evidence from Changes in Marital Property Laws in the U.S. South, 1840-1850,” by Peter Koudijs and Laura Salisbury, WFA Meetings
- 2017 “Finance in a Time of Disruptive Growth,” by Nicolae Garleanu and Stavros Panageas, UC Davis GSM Symposium
- 2018 “Labor Scarcity, Finance, and Innovation: Evidence from Antebellum America” by Yifei Mao and Jessie Wang, 20th Texas Finance Festival
- 2018 “Career Risk and Market Discipline in Asset Management,” by Andrew Ellul, Marco Pagano, and Annalisa Scognamiglio, LBS Summer Symposium
- 2018 “Partisan Professionals: Evidence from Credit Rating Analysts,” by Elizabeth Kempf and Margarita Tsoutsoura, ANU Summer Research Camp
- 2019 “Executive Mobility in the United States, 1920 to 2011,” John Graham, Dawoon Kim and Hyunseob Kim, MFA Meetings
- 2019 “Firm Networks in the Great Depression,” Erik Loualiche, Chris Vickers and Nicolas Ziebarth, Duke/UNC Corporate Finance Conference
- 2019 “The Contribution of High-Skilled Immigrants to Innovation in the United States,” Shai Bernstein, Rebecca Diamond, Timothy McQuade and Beatriz Posada, NBER Corporate Finance Meeting
- 2019 “Loans For the Little Fellow:” Credit, Crisis, and Recovery in the Great Depression,” Sarah Quincy, Workshop in Monetary and Financial History, Federal Reserve Board
- 2019 “Product Innovation, Product Diversification, and Firm Growth: Evidence from Japan’s Early Industrialization,” Serguey Braguinsky, Atsushi Ohyama, Tetsuji Okazaki, Chad Syverson, Finance, Organizations, and Markets Conference, University of Southern California
- 2020 “Why Are CEOs of Public Firms Paid More Than CEOs of Private Firms? Evidence from the Effect of Board Reforms on CEO Compensation,” Kee-Hong Bae, Sadok El Ghouli, Jisok Kang, and Albert Tsang, AFA Meetings
- 2020 “Leverage Risk and Investment: The Case of Gold Clauses in the 1930s,” Joao Gomes, Mete Kilic, and Sebastien Plante, MFA Meetings
- 2021 “Winning an Award Could Set You Free: Earnings Management and the Balance of Power between CEOs and CFOs,” Qinxu Wu, AFA Meetings
- 2021 “How Executive Compensation Changes In Response to Personal Income Tax Shocks (Who Pays the CEOs’ Income Taxes)?”, Benjamin Bennett, Jeffrey Coles and Zexi Wang, AFA Meetings
- 2021 “The Real Impact of the Panic of 1907: Evidence from Trust Companies,” Caroline Fohlin and Zhikun Lu, AEA Meetings

## **PROFESSIONAL SERVICE**

Editor: *Explorations in Economic History*, Co-Editor (2019-2022)

Editorial Boards: *Explorations in Economic History* (2016-2019); *Review of Corporate Financial Studies* (2016-2019); *Journal of Economic History* (2017-2019); *Review of Financial Studies* (2019-2022)

Referee for: *American Economic Journal: Applied Economics, American Economic Review, American Sociological Review, Econometrica, Economic Inquiry, Economic Journal, Economic Letters, Economics of Transition, Enterprise and Society, European Economic Review, Explorations in Economic History, Financial Management, IZA World of Labor, Journal of Development Economics, Journal of Economic History, Journal of Economic Literature, Journal of International Business Studies, Journal of the European Economic Association, Journal of Finance, Journal of Financial and Quantitative Analysis, Journal of Financial Economics, Journal of Industrial Economics, Journal of Law, Economics and Organization, Journal of Political Economy, Journal of Public Economics, Labour Economics, Management Science, RAND Journal of Economics, Review of Corporate Finance Studies, Review of Economics and Statistics, Review of Economic Studies, Review of Financial Studies, Scandinavian Journal of Economics, Quarterly Journal of Economics; National Science Foundation, Social Science and Humanities Research Council of Canada; Columbia University Press*

### Other:

Board of Trustees, Cliometric Society (appointed by election), 2017-2020

Local Arrangements Committee, Economic History Association, 2011

Convener, Nevins Award, Economic History Association Meetings, 2018

### Awards:

2019-2020 Associated Student Government Faculty & Administrator Honor Roll, for Business Institutions 321, Northwestern University

2018 Harvey Kapnick Center for Business Institutions ‘VIP’ Award, Northwestern University

### Short Term Visits:

London School of Economics, 2013

NY Federal Reserve Board, 2019

## **OUTSIDE ACTIVITIES**

None

**Updated:** February, 2021