Marcus M. Opp

CONTACT INFORMATION

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RESEARCH INTERESTS

Corporate Finance and Financial intermediation: Socially responsible investing, sustainable finance, credit rating agencies, contract theory, financial regulation.

CURRENT ACADEMIC APPOINTMENTS

Professor, Stockholm School of Economics — May 2022 to present
Department of Finance

Visiting Professor, University of California, Los Angeles — January 2024 to present
Anderson School of Business

Research Fellow, Centre for Economic Policy Research (CEPR) — June 2019 to present

Research Member, European Corporate Governance Institute (ECGI) — January 2023 to present

Resident Research Fellow, Swedish House of Finance (ShoF) — June 2017 to present

PREVIOUS ACADEMIC APPOINTMENTS

Associate Professor, Stockholm School of Economics — August 2017 to May 2022
Department of Finance

Visiting Professor, Harvard University — July 2016 to June 2017
Department of Economics

Assistant Professor, University of California, Berkeley — July 2008 to June 2017
Haas School of Business, Department of Finance

Visiting Scholar, Stanford University — January 2013 to July 2013
Graduate School of Business, Department of Finance

EDUCATION

University of Chicago, Chicago, USA

Ph.D., Business, June 2008

- Thesis Topic: *Expropriation Risk and Technology*
- Main Adviser: Professor Douglas Diamond
- Area of Specialization: Finance

University of Mannheim, Mannheim, Germany

Diploma (Grade: 1.2), Business Economics, June 2003

- Thesis Topic: *On the Valuation of Step-up Coupon Bonds*
- Main Adviser: Professor Wolfgang Bühler
- Area of Specialization: Finance, Insurance, and Statistics

REFEREED JOURNAL PUBLICATIONS

[1] "A Theory of Socially Responsible Investment," 2024, joint with Martin Oehmke (forthcoming in *The Review of Economic Studies*). Winner of EFA 2020 best paper prize in responsible finance.

[2] "Intermediary Capital and the Credit Market," 2024, joint with Milton Harris and Christian Opp (forthcoming in *Management Science*).

[3] "Regulatory forbearance in the U.S. insurance industry: The effects of removing capital requirements for an asset class," 2022, joint with Bo Becker and Farzad Saidi, *Review of Financial Studies*, 35, 5438-5482.

[4] "The economics of deferral and clawback requirements," 2022, joint with Florian Hoffmann and Roman Inderst, *Journal of Finance*, 77, 2423-2470. Non-technical insights in Harvard Law School Forum on Corporate Governance.

[5] "Only time will tell: a theory of deferred compensation," 2021, joint with Florian Hoffmann and Roman Inderst, *Review of Economic Studies*, 88, 1253-1278.

[6] "Target Revaluation after Failed Takeover Attempts - Cash versus Stock," 2016, joint with Ulrike Malmendier and Farzad Saidi, *Journal of Financial Economics*, 119, 92-106. Winner of 2016 Jensen Prize for the best Corporate Finance paper published in the Journal of Financial Economics.

[7] "Impatience versus incentives," 2015, joint with John Zhu, *Econometrica*, 83, 1601-1617.

[8] "Markup cycles, dynamic misallocation, and amplification," 2014, joint with Christine Parlour and Johan Walden, *Journal of Economic Theory*, 154, 126-161.

[9] "Rating agencies in the face of regulation," 2013, joint with Christian C. Opp and Milton Harris, *Journal of Financial Economics*, 108, 46-61. Winner of the 2016 Emerald Citation Award. Abridged version of paper for Fame magazine.

[10] "Expropriation risk and technology," 2012, *Journal of Financial Economics*, 103, 113-129. Winner of the 2008 John Leusner Award for the best dissertation at the University of Chicago in the field of Finance.

[11] "Tariff wars in a Ricardian model with a continuum of goods," 2010, *Journal of International Economics*, 80, 212-225.

[12] "Rybczynski's theorem in the Heckscher-Ohlin world - anything goes," 2009, joint with Hugo Sonnenschein and Christis Tombazos, *Journal of International Economics*, 79, 137-142.

Working Papers

[13] "Green capital requirements," 2023, joint with Martin Oehmke (revise and resubmit at *Journal of Finance*).

[14] "Greenwashing and Retail investors: The case for a Taxonomy for ESG Investments?," 2024, joint with Roman Inderst (revise and resubmit at *Journal of Financial Economics*).

Work in Progress

[15] "Stranded assets," joint with Martin Oehmke and Jan Starmans.

Awards and Grants

- 2023 Jan Wallanders, Tom Hedelius and Browaldhs foundation (SEK 300k).
- 2022 Bessel award of the Alexander-von-Humboldt Foundation (EUR 45k).
- 2022 Marianne and Marcus Wallenberg Foundation grant (SEK 8m).
- 2020 EFA 2020 Best Paper Prize in Responsible Finance.
- 2019 Jan Wallanders, Tom Hedelius and Browaldhs foundation (SEK 150k).
- 2018 Riksbankens Jubileumsfonds (SEK 2.25m).
- 2018 Corporate partners: Award for distinguished research at SSE (SEK 100k).
- 2018 Fondation Banque de France (EUR 40k).
- 2018 Marianne and Marcus Wallenberg Foundation grant (SEK 3.7m).
- 2017 "Top 40 under 40" business school professor award by Poets and Quants.
- 2016 Jensen Prize for the best paper published in the Journal of Financial Economics in the areas of corporate finance and organizations (first place).
- Emerald Citation Award 2016 for "Rating agencies in the face of regulation."
- Fisher Center Grant, UC Berkeley, 2015 - 2016.
- Clausen Center Award, UC Berkeley, 2012 - 2013.
- Junior Faculty Research COR Grant, UC Berkeley, 2008 - 2009.

- John Leusner Fellowship, University of Chicago, 2007 - 2008. "The Leusner Fellowship recognizes a finance Ph.D. student whose dissertation proposal exhibits outstanding creative potential. The Fellowship will not necessarily be awarded annually, but only when a proposal is deemed sufficiently creative to merit the award."
- German National Academic Foundation ERP Fellowship, 2006 - 2008.
- Katherine Dusak Miller Ph.D. Fellowship in Finance, 2007 - 2008.
- AFA Travel Award, 2005.
- German Academic Exchange Fellowship (DAAD), 2003 - 2006.
- Valedictorian Graduate High School St. Lioba Gymnasium, 1997 (GPA: 0.7).

Seminars and Conference Presentations

2023: AFA, ASU, Bank of Spain, University of Mannheim, University of Zurich, CEPR Gerzensee, HEC Paris, Duke, UCSD, FIRS Vancouver, FTG summer school.

2022: Bank of International Settlements, Bundesbank, Federal Reserve Board, HEC-HKUST Sustainable Finance Webinar, University of British Columbia, University of Porto, NBER CF, ASU Sonoran Winter Finance conference, CEPR Paris Symposium, Bundesbank conference "Regulating Financial Markets", OxFIT, Valpolicella Finance Meeting.

2021: University of Texas at Austin, Aalto University, Vienna University of Economics and Business, AFA, 4th IMF Annual Macro-Financial Research Conference, NICE conference Copenhagen, Norges Bank CEPR Workshop "Frontier Research in Banking".

2020: MIT Organizational Economics, IFN Stockholm, FDIC, NHH Bergen, University of Southern Denmark, EFA Aalto, European Winter Finance Conference, IDC Herzliya, INSEAD Symposium, Finance Theory Seminar, Schroder Investments.

2019: USC, UCLA (brownbag), Hebrew University, Tel Aviv University, Paul Wooley (LSE), NBER Summer Institute, Barcelona GSE Forum, Washington University Corporate Finance conference, Bank de France, FTG Madrid, EFA.

2018: University of Washington (Seattle), Stanford, University of Oregon, University of New South Wales, National University of Singapore, Hong Kong University, University of Queensland, HKUST, Norwegian Business School, European Central Bank, IE Madrid, EIEF Rome, Rotterdam, Tilburg, Maastricht, AFA, University of Chicago conference in honor of Douglas Diamond, Baffi Carefin Conference Bocconi.

2017: University of Colorado at Boulder, Stockholm School of Economics, Stockholm University, Boston Fed, Econometric Society St. Louis, Bank of Portugal, FTG Minnesota, EFA Mannheim, German Economists Abroad.

2016: Berkeley (Micro Theory), Harvard (Org. Econ), Harvard Business School, MIT (Org. Econ), HEC and EPFL Lausanne, INSEAD, University of Bonn, University of British Columbia, University of Calgary, Cal Poly, San Francisco Fed, Federal Reserve Board Washington, Econometric Society Annual Meeting.

2015: Bocconi, New York Fed, UC San Diego, ESMT Berlin, INSEAD, University of Minnesota, Stockholm School of Economics, University of Northern Carolina, Universitat Pompeu Fabra (Economics), University of Rochester, University of Washington (Seattle), Frankfurt School of Finance & Management, Econometric Society Annual Meeting (Boston), Barcelona GSE Summer Forum.

2014: Berkeley-Stanford, London School of Economics, New York University, Duke, Princeton (Woodrow Wilson Public Policy Lunch), NBER Summer Institute CF, NBER Summer Institute Credit Ratings, Erasmus Credit Conference Rotterdam, WFA Monterey, Society of Economic Dynamics Toronto.

2013: AEA meetings San Diego, NBER SI on Credit Ratings, Berkeley, Stanford GSB (twice), University of Chicago conference in honor of Milt Harris, University of Texas, Austin AIM investment conference, Econometric Society Summer Meeting (USC), SAET Paris, Midwest Economic Association (Ohio State), SMU (Econ), Deutsche Bundesbank Frankfurt School of Finance & Management.

2012: AEA Chicago, WFA Las Vegas, EFA Copenhagen, Berkeley (thrice), Berkeley-Stanford Joint Finance Seminar, Northwestern (Junior Finance), MIT Organizational Econ Lunch, University of Michigan (Mitsui Finance and Macro conference), University of Houston, NBER Corporate Finance Boston.

2011: Econometric Society, American Economic Association, San Francisco Fed, FMA Napa Conference, CEPR Gerzensee (evening Presentation), NBER Summer Institute CF, ESMT Berlin, IESE Barcelona, University of Southern California.

2010: Midwest Finance Association (Las Vegas), Second Theory Workshop on Corporate Finance and Financial Markets (NYU), IRMC Conference Florence (NYU), CEPR Gerzensee, EFA Conference Frankfurt, NBER SI on Rating Agencies, McGill University, University of North Carolina (Chapel Hill), Conference on Rating Agencies (Humboldt University, Berlin).

2009: Princeton Economics (Bendheim Center for Finance), Berkeley Stanford Joint Finance Seminar, CEPR Gerzensee (Evening Presentation), University of Illinois at Urbana-Champaign.

2008: Berkeley (Haas), Columbia GSB, Duke (Fuqua), Harvard Business School, MIT (Sloan), Northwestern (Kellogg), NYU (Stern), Stanford GSB, UCLA (Anderson), University of Pennsylvania (Wharton and Econ), Western Economic Association International Conference.

2007: Max Planck Institute Bonn, University of Chicago (GSB, Econ), WHU Koblenz Campus for Finance (Discussant).

CONFERENCE DISCUSSIONS

AFA 2024: “Financing Infrastructure in the Shadow of Expropriation” (Acharya, Parlatore, and Sundaresan)

AFA 2023: “Emission caps and investment in green technologies” (Biais and Landier)

NBER Summer Institute Corporate Finance 2022: “Open Banking: Credit Market Competition When Borrowers Own the Data” (He, Huang, and Zhou, *Journal of Financial Economics*)

WFA 2022: “Exit vs. Voice” (Broccardo, Hart, and Zingales, *Journal of Political Eocnomy*)

Corporate Finance Theory Symposium 2021: “On ESG Investing: Heterogeneous Preferences, Information, and Asset Prices” (Goldstein, Kopytov, Shen, and Xiang)

FIRS 2021: “Crowded Ratings: Clientele Effects in the Corporate Bond Market” (Gomes, Lewis, and Nickerson)

WFA 2020: “Asset Prices and Portfolios with Externalities” (Baker, Hollifield, Osambela, *Review of Finance*)

EFA 2019: “Endogenous price war risks” (Dou, Ji, and Wu)

Paul Wooley Conference, LSE 2018: “A Positive Analysis of Bank Behaviour under Capital Requirements” (Bahaj and Malherbe, *Journal of Finance*)

SFS Cavalcade 2017: “A Bit Goes a Long Way: Bilateral Investment Treaties and Cross-Border Mergers” (Bhagwat, Brogaard, and Julio, *Journal of Financial Economics*)

NBER corporate meeting Spring 2017: “Leverage dynamics without commitment” (DeMarzo and He, *Journal of Finance*)

Carnegie Mellon credit ratings conference 2015: “Credit Ratings: Strategic Issuer Disclosure and Optimal Screening” (Cohn, Rajan, and Strobl)

London Business School Summer Symposium 2015: “Optimal Capital Requirements over the Business and Financial Cycles” (Malherbe, *AEJ Macro*)

AFA 2015: “Did Government Regulations Lower Credit Rating Quality?” (Behr, Kisgen, and Taillard, *Management Science*)

NBER Corporate Fall 2013: "Financing as a Supply Chain: The Capital Structure of Banks and Borrowers" (Gornall and Strebulaev, *Journal of Financial Economics*)

WFA 2013: "Credit ratings and security design" (Josephson and Shapiro, *Journal of Financial Intermediation*)

NBER corporate meeting Fall 2012: "Who Should Pay for Credit Ratings and How?" (Kashyap and Kovrijnykh, *Review of Financial Studies*)

NBER corporate meeting Fall 2012: "Do Security Analysts Discipline Credit Rating Agencies?" (Fong, Hong, Kacperczyk, and Kubik)

WFA 2012: "Precision of Ratings" (Kartasheva and Yilmaz)

EFA 2012: "Speculation and Hedging in Segmented Markets" (Goldstein, Li, and Yang, *Review of Financial Studies*)

EFA 2011: "The Hazards of Debt: Rollover Freezes, Incentives, and Bailouts" (Milbradt and Cheng, *Review of Financial Studies*)

FIRS 2010: "Dynamic CEO compensation" (Edmans, Gabaix, Sadzik, and Sannikov, *Journal of Finance*)

CEPR Gerzensee 2009: "Competition through Commissions and Kickbacks" (Inderst and Ottaviani, *American Economic Review*)

Professional Service

Editor: Review of Finance (since Jan 2023).

Referee: American Economic Review, Econometrica, Journal of Political Economy, Quarterly Journal of Economics, Review of Economic Studies, Journal of Finance, Journal of Financial Economics, Review of Financial Studies, Journal of Economic Theory, Journal of International Economics, RAND Journal of Economics, Management Science, Economic Journal, International Economic Review, B.E. Journal of Economic Analysis & Policy, Review of Finance, Journal of Financial Intermediation, Economic Theory, Economica.

Board member: Finance Theory Group (2016-2018).

Member: American Finance Association, American Economic Association, Econometric Society, European Finance Association, Finance Theory Group, Western Finance Association.

Co-Organizer: 4th Finance Theory Group Meeting (2011 at Stanford), 18th Finance Theory Group Meeting Special Event in Honor of Oliver Hart and Bengt Holmström (2018 at MIT), Finance Theory Group Summer meeting (2018 at LBS, 2023 at SSE), NFN conference (2022 at SSE).

Session chair: Optimal contracting (WFA 2016), Corporate Finance Theory (WFA 2017), Dynamic Contracting (Econometric Society 2017), Financial Intermediation: Regulation (AFA 2018), Contract Design (SFS 2021), Debt Markets (WFA 2022).

Program committee: EFA 2011 to present, WFA 2012 to present, FIRS 2018 to present, European Winter Finance Conference 2018 - 2020, Napa 2012.

Teaching Experience

Stockholm School of Economics, Stockholm, Sweden

Course Director and Instructor — Fall 2017 to present

- BSc 315 Finance I (Investment Management)
- BSc 402 Finance II (Corporate Finance)
- PhD 502 MicroEconomics II (Contract Theory)

Harvard Economics, Cambridge, MA

Course Director and Instructor — Spring 2017

- ECON 1745 Corporate Finance

University of California, Berkeley

Course Director and Instructor — Fall 2008 to Spring 2016

- UGBA 103 Introduction to Finance
- EWMBA 203 Core Finance
- PhD 297 Corporate Finance Theory

Advising and Mentoring

Graduate Students

- **Martin Waibel**, PhD Student, Finance, 2023–
- **Valentin Schubert**, PhD Student, Finance, 2022–2024

Undergraduate Students

- **Yang Liu**
  Undergraduate student at UC Berkeley, placement into UPenn Econ Ph.D. program
- **Jae Hyen Chung**
  Undergraduate student at UC Berkeley, placement into Chicago Booth Ph.D. program

Service

Stockholm School of Economics

- Ph.D. program coordinator
- Recruiting committee
- Undergrad admissions committee
- Supervision of bachelor and masters theses
- Internal reviews

Non-academic Work Experience

Roland Berger Strategy Consultants, Frankfurt, Germany

Summer Analyst, Mergers & Acquisitions — March to April 2003

Morgan Stanley, Frankfurt, Germany

Summer Analyst, Mergers & Acquisitions — July to October 2000

Deutsche Bank, Frankfurt, Germany

Summer Analyst, Money Market Trading — July to October 1999

References

Peter DeMarzo

- Professor at Stanford Graduate School of Business
- e-mail: PDeMarzo@Stanford.edu
- phone: +1 (650) 736-1082

Douglas Diamond

- Professor at Chicago Booth School of Business
- e-mail: Douglas.Diamond@ChicagoBooth.edu
- phone: +1 (773) 702-7283

⋆ *Douglas Diamond was my Ph.D. advisor.*

Bengt Holmström

- Professor at MIT Economics
- e-mail: bengt@mit.edu
- phone: +1 (617) 253-0506

Raghuram Rajan

- Professor at Chicago Booth School of Business
- e-mail: Raghuram.Rajan@ChicagoBooth.edu
- phone: +1 (773) 702-4437

⋆ *Raghuram Rajan was on my Ph.D. committee.*