

DARIUS PALIA

Department of Finance & Economics
Rutgers Business School
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Current Appointment

- Rutgers Business School
Distinguished Professor, July 2025-present
Chairman, Finance & Economics Department, July 2023-present
Thomas A. Renyi Endowed Chair in Banking, July 2009-present

Previous Appointments

- Columbia Law School
Senior Research Fellow, January 2013-2019
Visiting Scholar, Spring 2012
- Princeton University, Bendheim Center for Finance
Visiting Professor of Economics, September 2008-June 2009
- Rutgers Business School
Professor of Finance & Economics, July 2005-June 2025
Thomas A. Renyi Senior Faculty Scholar in Banking, September 2004-June 2008
Associate Professor of Finance & Economics, July 2001-June 2005
Founding Director, Rutgers Financial Institutions Center, July 2012-June 2022
- Columbia Business School
Associate Professor of Finance & Economics, September 2000-August 2001; September 1996-August 1998; Assistant Professor of Finance & Economics, September 1991-August 1996
- Anderson School at UCLA
Visiting Associate Professor of Finance, September 1999-May 2000
- University of Chicago
Visiting Associate Professor of Finance, September 1998-August 1999

I. RESEARCH

Areas of Research Interest

Empirical: Corporate Finance, Banking, Law and Economics

Note: I was very interested in becoming a legal scholar from 2011 to 2019. Accordingly, I took many law classes at Columbia Law School, authored several empirical papers that were published in highly reputable law journals and reviews and made presentations in faculty seminars at top departments such as Berkeley, Columbia, Harvard, NYU, Northwestern, Penn, and Stanford. I also co-taught Securities Regulation for a semester at Rutgers Law School. I am no longer interested in researching legal issues, freeing up time to resume my publishing in finance and economics.

Research Visibility

- Google Scholar cite count: 12,698
- All-Star paper in *Journal of Financial Economics*, based on citations per year in all articles published in the journal, gets approximately 26.2 citations per year
- Regular invited participant of the NBER Corporate Finance group
- Dean's Meritorious Research Excellence Award, Rutgers, 2013-14, 2017-18, 2021-22

Research

50. Attention Allocation and Price Discovery, with Zhi Da, Hosein Maliki, and Cayman Seagraves
Presentations: Rutgers, RCF-ECGI Corporate Finance and Governance Conference (scheduled)
49. Bank Convexity Risk: How Interest Rate Uncertainty Impacts Banks', with Martijn Cremers and Priyank Gandhi
Presentations: Georgia State, Financial Stability Conference at Fed-Atlanta, Stress Testing Conference at Fed-Boston (scheduled)
48. Retail Investor Heterogeneity and Stock Return Predictability, with Jaokim Westerholm and Pramod Kumar Yadav
Presentations: Rutgers
47. Funding Sources and Mortgage Loan Risk: Evidence from Fintech Lenders, Finance Companies, and Traditional Banks, with Efraim Benmelech and Rouzhi Wang
46. African American Bank Directors and Mortgage Access, with Valentin Dimitrov and Jiayin Li
working paper
Presentations: Baruch, Cornell, Florida State, John Jopkins, Miami, NYC Real Estate Conference (Columbia), NYU, NYCU International Finance Conference (Taiwan), Peking, Rutgers, 2024 AAA Meetings, 2024 Conference on Discrimination in the 21st Century (Chicago-Booth)
45. Do "MEASURES" of Bank Diversification Measure Up?, with Priyank Gandhi and Jasper Pan
Presentations: AUT, CEU, Melbourne, Monash, Rutgers, Sydney, UNSW, Victoria, AFA Committee on Racial Diversity, EFA Conference, FDIC, Financial Markets and Liquidity Conference, FMA meetings, PBFEM Conference, RCF-ECGI Corporate Finance and Governance Conference, and Sydney Banking and Financial Stability Conference.

44. Impact of Increased Regulatory Pressure on CEO Pay and Bank Risk, with Hengguo Da and Christopher James, working paper
Presentations: Ahmedabad, Baruch, CELS (Chicago), Fordham, Florida, FMA, IIM Ahmedabad, IIT Bombay, NYU, Oregon, Rutgers, Tulane
43. Impact of Internal Governance on a CEO's Investment Cycle, with Ivan Brick and Yankuo Qiao, *Journal of Corporate Finance*, July 2024
Presentations: NJIT, Rutgers, Temple
42. Strategic Borrowing from Passive Investors: Implications for Security Lending and Price Efficiency, with Stanislaw Sokolinski, *Review of Finance*, April 2024
Presentations: Florida, Miami, NYU Stern, Oklahoma, Rutgers, UCSD, UNC, USC, Washington U. St. Louis, IDC Herzilya Summer Finance Conference, CUHK International Finance Conference, Triple Crown Conference
41. Feedbacks: Financial Markets and Economic Activity, with Markus Brunnermeier, Karthik Shastri, and Chris Sims, *American Economic Review*, June 2021
Presentations: AEA Meetings, Princeton
40. Banks' Non-Interest Income and Systemic Risk, with Markus Brunnermeier and Gang Dong, *Review of Corporate Finance Studies*, May 2020
Presentations: Baruch, Fordham, Fed. Board of Governors, NYU Stern, Oxford, Rutgers, SMU, Washington U. St. Louis, AFA, CEPR/EBC/HEC/RoF/NYSE/Euronext Conference on Financial Intermediation and the Real Economy, CREDIT Conference on Stability and Risk Control, EEA, NBER, FDIC
39. The Core Corporate Governance Puzzle: Contextualizing the Link to Performance, with Merritt Fox and Ronald Gilson, *Boston University Law Review*, October 2019
Presentations: Columbia Law, ETH-Paris Law, USC Law, ALEA, CELS, Global Corporate Governance Colloquium, Anton Phillips/Tilburg University Conference
38. Is Say-on-Pay Voting all About Pay? The Impact of Firm Performance, with Jill Fisch and Steven Davidoff Solomon, *Harvard Business Law Review*, Volume 1, 2018
-- Harvard Law School's Forum on Corporate Governance and Financial Regulation, 2017
37. Product Market Competition and CEO Pay Benchmarking, with Ivan Brick, in *Handbook of Financial Econometrics, Mathematics, Statistics and Technology*, edited by C.F. Lee, 2018
36. Appraisal Arbitrage and Shareholder Value, with Scott Callahan and Eric Talley, *Journal of Law, Finance and Accounting*, May 2018
-- Columbia Law School's Blog on Corporations and the Capital Markets, 2018
35. Short-Term Debt and Bank Risk, with Brian Du, *Journal of Financial and Quantitative Analysis*, April 2018
34. Differential Access to Capital from Financial Institutions by Minority Entrepreneurs, *Journal of Empirical Legal Studies*, December 2016

33. The Wolf at the Door: The Impact of Hedge Fund Activism on Corporate Governance, with John C. Coffee, Jr., *Journal of Corporation Law*, Spring 2016
 - Cited extensively by the Chief Justice of the Delaware Supreme Court, Honorable Leo E. Strine Jr., who states: "For a reader who wants an excellent summary of the existing academic research ... Coffee and Palia is a thorough, evenhanded overview. I am grateful to its authors and do not intend to replicate their impressive distillation of the existing data, but do draw heavily on their balanced conclusions about overall trends because of their commitment to objectivity." Yale Law Journal (2017)
 - Cited by the SEC Commissioner Mary Jo White
 - Cited by lawyer Martin Lipton, founder Wachtell, Lipton, Rosen & Katz
 - Cited in the New York Times
 - Reprinted in Annals of Corporate Governance
 - Columbia Law School's Blog on Corporations and the Capital Markets, 2015
32. The Market for Corporate Control: Survey of the Empirical Evidence, Estimation Issues, and Potential Areas for Future Research, in *Research Handbook on Mergers and Acquisitions*, edited by Steven Davidoff and Claire Hill, Edward Elgar Publishing, 2016
31. Ex Ante Choice of Jury Waiver Clauses in Mergers, with Robert Scott, *American Law and Economics Review*, Fall 2015
30. Impact of the Dodd-Frank and Credit Ratings, with Valentin Dimitrov and Leo Tang, *Journal of Financial Economics*, March 2015
 - Harvard Law School's Forum on Corporate Governance and Financial Regulation, 2015
29. Heterogeneous Background Risks and Portfolio Choice: Evidence from Micro-Level Data, with Yaxuan Qi and Yangru Wu, *Journal of Money, Credit and Banking*, December 2014
28. Private Equity Alliances in Mergers, with Tae-Nyun Kim, *Journal of Empirical Finance*, June 2014
27. Does Changing Corporate Governance Alone Result in Better Firm Performance?, with N. Chidambaran and Yudan Zeng, *Financial Decisions*, Summer 2012
26. Are Initial Returns and Underwriting Spreads in Equity Issues Complements or Substitutes?, with Dongcheol Kim and Anthony Saunders, *Financial Management*, Winter 2010
25. The Impact of Commercial Banks on Underwriting Spreads: Evidence from Three Decades, with Dongcheol Kim and Anthony Saunders, *Journal of Financial and Quantitative Analysis*, December 2008
24. Choosing to Co-Finance: An Analysis of Project Specific Alliances in the Film Industry, with Abraham Ravid and Natalia Reisel, *Review of Financial Studies*, April 2008
 - Lead article
23. Founders Versus Non-Founders in Large Companies: Financial Incentives and the Call for Regulation, with Abraham Ravid and Chia-Jane Wang, *Journal of Regulatory Economics*, October 2007

22. Evidence of Jointness in the Terms of Relationship Lending, with Ivan Brick, *Journal of Financial Intermediation*, January 2007
21. The Impact of Capital Requirements and Managerial Compensation on Bank Charter Value, with Robert Porter, *Review of Quantitative Finance and Accounting*, November 2004
--Lead article
20. Related Party Transactions and Corporate Governance, with Elizabeth Gordon and Elaine Henry, *Advances in Financial Economics*, September 2004
--Lead article
19. Securitizing Accounts Receivables, with Ben Sopranzetti, *Review of Quantitative Finance and Accounting*, January 2004
18. Contemporary Issues in Regulatory Risk Management of Commercial Banks, with Robert Porter, *Financial Markets, Institutions and Instruments*, November 2003
17. The Impact of the Manager-Shareholder Conflict on Acquiring Bank Returns, with Marcia Cornett, Gayane Hovakimian, and Hassan Tehranian, *Journal of Banking and Finance*, January 2003
16. The Empirical Importance of Private Ownership for Economic Growth, with Edmund Phelps, in *Finance, Research, Education, and Growth*, edited by Luigi Paganetto and Edmund Phelps, Palgrave, New York, 2003
15. Are There Bank Effects in Borrower Cost of Funds? Evidence From a Matched Sample of Borrowers and Banks, with Glenn Hubbard and Ken Kuttner, *Journal of Business*, October 2002
--Lead article
14. The Endogeneity of Managerial Compensation in Firm Valuation: A Solution, *Review of Financial Studies*, Fall 2001
13. The Impact of Regulation on CEO Labor Markets, *RAND Journal of Economics*, Spring 2000
12. Managerial Ownership and Firm Performance: A Re-Examination Using Productivity Measurement, with Frank Lichtenberg, *Journal of Corporate Finance*, December 1999
--Summarized in *CFA Digest*, Charlottesville, Spring 2000
11. Federal Deposit Insurance: Economic Efficiency or Politics?, with Nicholas Economides and Glenn Hubbard, *Regulation*, Washington D.C., December 1999
10. Understanding the Determinants of Managerial Ownership and the Links Between Ownership and Firm Performance, with Charles Himmelberg and Glenn Hubbard, *Journal of Financial Economics*, September 1999
--*Journal of Financial Economics* All-Star Paper, based on citations per year in all articles ever published in the journal, gets 26.2 citations per year
--Won the *Western Finance Association Corporate Finance Award* for best paper, 1998
--Reprinted in *Empirical Corporate Finance*, edited by M. Brennan, Edward Elgar

Publishing, 2000

9. A Re-Examination of the Conglomerate Merger Wave in the 1960s: An Internal Capital Markets View, with Glenn Hubbard, *Journal of Finance*, June 1999
--Nominated for *Journal of Finance's Brattle Prize* for best paper Corporate Finance
--Summarized in *Economic Intuition*, Montreal, 1999
8. Market for Corporate Control, with Glenn Hubbard, *New Palgrave Dictionary of Economics and the Law*, 1997
7. The Political Economy of Branching Restrictions and Deposit Insurance, with Nicholas Economides and Glenn Hubbard, *Journal of Law and Economics*, October 1996
6. Benefits of Control, Managerial Ownership, and the Stock Returns of Acquiring Firms, with Glenn Hubbard, *RAND Journal of Economics*, Winter 1995
5. Executive Pay and Performance, with Glenn Hubbard, *Journal of Financial Economics*, September 1995
--Reprinted in *The Economics of Executive Compensation*, edited by K. Murphy and K. Hallock, Edward Elgar Publishing, 2000
4. Recent Evidence on Bank Mergers, *Financial Markets, Institutions and Instruments*, December 1994
3. The Managerial, Regulatory and Financial Determinants of Bank Merger Premiums, *Journal of Industrial Economics*, March 1993]

Permanent working papers:

2. Impact of Bank CEO's Pay-Risk Sensitivity on Loan Contract Terms, with Hengguo Da and Kose John, working paper
1. Analysis of discrimination in prime and subprime mortgage markets, with R. Glenn Hubbard and Wei Yu, working paper

Research in progress

Too many to list

Presentations and Conferences

Too many to list

Often present at AFA, EFA, WFA and NBER meetings

Academic Journals

Associate Editor, *Journal of Financial & Quantitative Analysis*, 2011-2024

Ad hoc referee for:

American Economic Review, *Financial Services Review*, *Journal of Banking and Finance*, *Journal of Business*, *Journal of Business and Economic Statistics*, *Journal of Corporate Finance*, *Journal of*

Empirical Finance, Journal of Economic Behavior and Organization, Journal of Finance, Journal of Financial Economics, Journal of Financial Intermediation, Journal of Financial and Quantitative Analysis, Journal of Financial Research, Journal of Labor Economics, Journal of Law and Economics, Journal of Legal Studies, Journal of Political Economy, Journal of Regulatory Economics, Managerial and Decision Economics, Quarterly Journal of Economics, RAND Journal of Economics, Review of Economic Studies, Review of Economics and Statistics, Review of Finance and Economics, Review of Financial Studies, Review of Quantitative Finance and Accounting

II. TEACHING

I have earned many teaching prizes. My teaching style is to be organized in my teaching notes and lectures, while being clear and accessible to students in class.

Teaching merits:

- Recipient of *Teaching Prize*, Rutgers Business School
- Recipient of Columbia Business School's *Dean's Award of Teaching Excellence*
- Nominated by Columbia Business School for University-wide *Presidential Teaching Award*

Rutgers Law School

- Securities Regulation (co-taught); teaching evaluation score 4.77 out of 5

Rutgers Business School (sometimes undergraduate, mostly full-time and evening MBA, and PhD)

- Advanced Corporate Finance
- Corporate Finance
- Corporate Governance (Mini-MBA)
- Introduction to Financial Management
- Investments
- Financial Crises (Executive MBA)
- Financial Institutions and Markets
- Financial Intermediation (PhD only)
- FinTech (Executive MBA)
- Valuation Analysis

Columbia Business School

- Corporate Finance (MBA)
- Investments (MBA)
- Money and Financial Markets (MBA)

Rutgers Business School Ph.D. Student Advisor (graduation year and first tenure-track job)

Best placements:

Gang Dong (chair), 2012- Columbia

Natalia Reisel (member), 2005- SMU

Others:

Jasper Pan (co-chair), TCNJ
Rouzhi Wang (chair), Xi'an Jiaotong-Liverpool
Hengguo Da (chair), 2022- SUFE
Yankuo Qiao (member), Hood
Zhiwei Xu (member), 2020- Southwestern
Ge Wu (chair), 2018- Richmond
Yuna Heo (chair), 2015- Hong Kong Polytechnic
Brian Du (chair), 2012- California State, East Bay
Tae-Nyun Kim (chair), 2011- Frostburg State
Michael Immerman (member), 2011- Lehigh
Sarah Hertz (member), 2011- Empire State
Wei Yu (chair), 2007- California State, Pomona
Yudan Zheng (chair), 2007- Long Island
Yaxuan Qi, (member), 2007- Concordia
Elaine Henry (member), 2005- Miami
Chia-Jane Wang (co-chair), 2004- Manhattan
Robert Porter (chair), 2004- Quinnipiac

III. OTHER

Degrees:

- New York University, Stern School of Business, PhD, 1991
Major-Finance
Minor-International Finance
- New York University, Stern School of Business, MBA, 1988
Major-Finance
Minor-International Finance
- Bombay University, Master of Management Studies, 1983
Major-Finance
Minor-Economics

Membership in Professional Associations:

American Finance Association
European Finance Association
Western Finance Association

Personal:

US citizen; enjoy soccer, hiking, football, travel, music