My research studies how beliefs and incentives affect capital markets and the economy. It contributes to the literature in three applied areas: the 2007-2008 financial crisis, volatility and commodity derivatives markets, and new and emerging topics in finance and economics. It includes both empirical and theoretical contributions.

These three areas are timely and important from both research and practical perspectives. The 2007-2008 financial crisis was one of the most significant financial and economic events since the Great Depression. Volatility and commodity derivatives markets have grown tremendously over the past 15 years due to financial innovations and heightened interest from speculators. New and emerging topics such as debt collection, the reporting of sexual misconduct, polarized disagreement, and corporate social responsibility are growing in the literature because of their real-world importance.

All of my research, whether about Wall Street banks, VIX futures markets, or consumer debt collection, stems from my goal of using the timeless concepts of beliefs and incentives to understand timely topics and enlarge our understanding of fundamental issues.

My research about the 2007-2008 financial crisis investigates beliefs and incentives at Wall Street firms. "Wall Street and the Housing Bubble" analyzes bankers' personal housing transactions and shows that the bankers were likely optimistic about house prices during the peak of the boom. "Yesterday's Heroes" re-visits and finds little support for the view that poor shareholder governance led banks to take excessive risks during the boom. These findings emphasize that the crisis's narrative should include roles for incentives from shareholders that encouraged risk-taking and potentially distorted beliefs.

My research in volatility and commodity derivatives markets studies price fluctuations and speculation, as speculation often reflects heterogeneous beliefs or incentives to trade among market participants. "The VIX Premium" shows that prices in VIX futures markets, where participants bet on future stock market volatility, tend to react slowly to increases in risk. Standard representative agent asset pricing models struggle to explain this finding, but evidence suggests that speculation and hedging help explain the result. "Convective Risk Flows" shows that commodity speculators can consume liquidity rather than provide it to hedgers during periods of broader market turmoil. These findings emphasize that understanding different groups' incentives to trade in different periods improves our understanding of price fluctuations.

My research also emphasizes that beliefs and incentives inform our understanding of new and emerging topics. "How Do Consumers Fare When Dealing With Debt Collectors?" shows that consumers who settle with debt collectors experience subsequent financial distress and that misguided beliefs and non-pecuniary settlement motives help explain this finding. "Reporting Sexual Misconduct" shows that beliefs about whether other agents will report harassment from a manager and corroborate a pattern of misbehavior are central to an agent's own reporting decision. Uncertainty about whether other agents will report makes an agent reluctant to report even when all agents know misconduct is widespread.

Thinking about the role of beliefs and incentives across different topics can lead to synergies. "Reporting Sexual Misconduct" features an analysis of beliefs and coordination problems building on that of bank runs and speculative currency attacks in the finance literature, and coordination problems are also central in "The Hazards of Debt" when modeling rollover risk in short-term debt. "Distrust in Experts" proposes a behavioral theory for how economic agents update beliefs when an information source's credibility is uncertain. It contributes to the behavioral learning literature and has synergies with understanding speculation in financial markets. It makes new predictions about the origins of disagreement and shows how distorted learning about credibility leads to more speculative trade than in a model with Bayesian agents.

Below, I organize my CV into three strands reflecting each area I study.

The financial crisis of 2007-2008

1. "Yesterday's Heroes: Compensation and Risk at Financial Firms" (2015), with Harrison Hong and José Scheinkman, *Journal of Finance*, 70(2), 839-879.
2. "Wall Street and the Housing Bubble" (2014), with Sahil Raina and Wei Xiong, *American Economic Review,* 104(9), 2797-2829.
3. "The Hazards of Debt: Rollover Freezes, Agency, and Bailouts" (2012), with Konstantin Milbradt, *Review of Financial Studies,* 25(4), 1070-1110.

Prices and speculation in volatility and commodity derivatives markets

1. "Hedging Pressure and Commodity Option Prices,", with Ke Tang and Lei Yan, November 2021.
2. "Volmageddon and the Failure of Short Volatility Products" (2021), with Patrick Augustin and Ludovic Van den Bergen, *Financial Analysts Journal*, 77(3), 35-51.
3. "Volatility Markets Underreacted to the Early Stages of the COVID-19 Pandemic" (2020), *Review of Asset Pricing Studies*, 10(4), 635-668.
4. "The VIX Premium" (2019), *Review of Financial Studies*, 32(1), 180-227.
5. "Convective Risk Flows in Commodity Futures Markets" (2015), with Andrei Kirilenko and Wei Xiong, *Review of Finance*, 19(5), 1733-1781, Lead article.
6. "Why Do Hedgers Trade So Much?" (2014), with Wei Xiong, *Journal of Legal Studies*, 43(S2), S183-S207.
7. "The Financialization of Commodity Futures Markets" (2014), with Wei Xiong, *Annual Review of Financial Economics*, 6, 419-441.

New and emerging topics in finance and economics

1. "Distrust in Experts and the Origins of Disagreement" (Forthcoming), with Alice Hsiaw, *Journal of Economic Theory*.
2. "Reporting Sexual Misconduct in the #MeToo Era" (Forthcoming), with Alice Hsiaw, *American Economic Journal: Microeconomics*.
3. How Do Consumers Fare When Dealing with Debt Collectors? Evidence from Out-of-Court Settlements (2021), with Felipe Severino and Richard Townsend, *Review of Financial Studies*, 34(4), 1617-1660, Lead article (Editor's Choice).
4. "Do Managers Do Good with Other People's Money?" with Kelly Shue and Harrison Hong, October 2020.