

RAJNISH MEHRA

W. P. Carey School of Business
Arizona State University
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EDUCATION

- 1978 Ph.D. in Finance, Graduate School of Industrial Administration, Carnegie-Mellon University.
- 1975 M.S. in Industrial Administration, Graduate School of Industrial Administration, Carnegie-Mellon University.
- 1974 M.S. in Computer Science, Rice University.
- 1972 B. Tech Electrical Engineering, Indian Institute of Technology, Kanpur, India.
- 1966-67 St. Stephen's College, University of Delhi, India.

ACADEMIC APPOINTMENTS

- 2010- Present E.N. Basha Arizona Heritage Chair
Professor of Finance and Economics
W.P. Carey School of Business
Arizona State University, Tempe, AZ.
- 1988 - 2010 Professor of Finance
Department of Economics
University of California, Santa Barbara, CA.
- 1987-1989 Visiting Professor of Finance
Sloan School of Management,
Massachusetts Institute of Technology, Cambridge, MA.
- 1985-1988 Associate Professor of Finance
Department of Economics
University of California, Santa Barbara, CA.
- 1977-1985 Assistant and Associate Professor
Graduate School of Business,
Columbia University, New York, NY.

SABBATICALS AND SHORT APPOINTMENTS

Fall 2010	Visiting Professor of Finance, Indian Business School.
Spring 2010	Sabbatical at the Graduate School of Business, Columbia University.
2008 - 2009	E.N Basha Arizona Heritage Visiting Professor, Arizona State University.
Fall 2007	Visiting Professor of Finance, London Business School.
1995 – 2006	Visiting Professor of Finance, Graduate School of Business, University of Chicago. (Executive MBA teaching in Barcelona, Chicago, London and Singapore).
Fall 2005	Sabbatical at the Swiss Banking Institute, University of Zurich.
Spring 2005	Sabbatical at the School of Management, Yale University.
Fall 2004	Visiting Professor of Finance, Sloan School of Management, Massachusetts Institute of Technology.
Fall 2000	Sabbatical at the Graduate School of Business, Stanford University.
Fall 1993	Sabbatical at the Research Department International Monetary Fund, Washington D.C.
Fall 1990	Sabbatical at the Wharton School, University of Pennsylvania, Philadelphia, PA.
Summer 1988	Visiting Scholar, Stockholm School of Economics Stockholm, Sweden.
Fall 1986	Visiting Associate, Institute of Economics and Statistics, University of Oxford, England.
Summer 1982	Visiting Scholar, Norwegian School of Economics and Business Administration, Bergen, Norway.
Summer 1981	Professor Invité, École des Hautes Études Commerciales, University of Lausanne, Switzerland.
Spring 1980	Visiting Assistant Professor, Graduate School of Management, University of California, Los Angeles, CA.
Fall 1979	Visiting Scholar, Graduate School of Business, University of Chicago, Chicago, IL.
1976-1977	Assistant Professor of Finance, School of Business, Queens University, Kingston, Canada.

PUBLICATIONS

“On the Financing and Investment Decisions of Multinational Firms in the Presence of Exchange Risk,”
Journal of Financial and Quantitative Analysis, July, 1978, pp. 227-244.

“Recursive Competitive Equilibrium: The Case of Homogeneous Households,” (with E.C. Prescott),
Econometrica, 48, September, 1980, pp. 1365-1379.

Reprinted in *Growth Theory* - ed. by R. Becker and E. Burmeister,
Edward Elgar Publishing Ltd., Brookfield, VT 1991.

Reprinted in *Theory of Valuation* by Sudipto Bhattacharya and George M. Constantinides
World Scientific 2006

“Stochastic Growth with Correlated Production Shocks,” (with J.B. Donaldson), *Journal of Economic
Theory*, 29, April, 1983, pp. 282-312.

“On the Impact of Shock Persistence on the Dynamics of a Recursive Economy,” (with J.P. Danthine and
J.B. Donaldson), *European Economic Review*, 22, July, 1983, pp. 147-166.

“Comparative Dynamics of An Equilibrium Intertemporal Asset Pricing Model,” (with J.B. Donaldson),
The Review of Economic Studies, 51, July, 1984, pp. 491-508.

Reprinted in *Growth Theory* - ed. by R. Becker and E. Burmeister,
Edward Elgar Publishing Ltd., Brookfield, VT 1991.

“Recursive Competitive Equilibrium: A Parametric Example,” *Economics Letters*, 16, December, 1984,
pp. 273-278.

“The Equity Premium: A Puzzle,” (with E.C. Prescott), *Journal of Monetary Economics*, 15, March, 1985,
pp. 145-161.

Reprinted in *The Economic Legacy of Robert Lucas, Jr.* - ed. by Kevin D. Hoover, Edward Elgar
Publishing Ltd., Brookfield, VT 1998.

Reprinted in *Financial Markets and the Real Economy* - ed. by John Cochrane, Edward Elgar
Publishing Ltd., Brookfield, VT 2006

Reprinted in *The International Library of Financial Econometrics*- ed. by Andrew Lo, Edward
Elgar: Cheltenham, UK, Northampton, MA 2007

Reprinted in James Tobin, Franco Modigliani, Finn E. Kydland and Edward C. Prescott
- ed. by Howard R. Vane and Chris Mulhearn , Edward Elgar: Cheltenham, UK, Northampton, MA
2010

“On the Existence and Representation of Equilibrium in an Economy with Growth and Nonstationary
Consumption,” *International Economic Review*, 29, February, 1988, pp. 131-135.

- “The Equity Risk Premium: A Solution?” (with E.C. Prescott), *Journal of Monetary Economics*, 22, July, 1988, pp. 133-136.
- “On Some Computational Aspects of Equilibrium Business Cycle Theory,” (with J.P. Danthine and J.B. Donaldson), *Journal of Economic Dynamics & Control*, 13, July, 1989, pp. 449-470.
- “El 'Equity Premium': un Dilema,” *Cuadernos Economicos de ICE*, 42, November, 1989, pp. 123-37.
- “On the Term Structure of Interest Rates,” (with J.B. Donaldson and T. Johnsen), *Journal of Economic Dynamics and Control*, 14, October, 1990, pp. 571-596.
- “El comportamiento de la estructura temporal de los tipos de interés en un modelo de ciclos economicos,” (joint with J.B. Donaldson & T. Johnsen), *Cuadernos Economicos de ICE*, 49, Fall, 1991, pp. 89-120.
- “The Equity Premium and the Allocation of Income Risk,” (joint with J.P. Danthine & J.B. Donaldson), *Journal of Economic Dynamics and Control*, 16, July/October, 1992, pp. 509-532.
- “Auctions: Theory and Applications,” (joint with R.A. Feldman), *IMF Staff Papers*, 40, September, 1993, pp. 485-511.
- “Dynamic Decentralization,” (with J.B. Donaldson), in *Business Cycles, Panics and Depressions*, ed. by David Glassner, Garland Press, New York, 1997.
- “The Equity Premium Puzzle,” in *Business Cycles, Panics and Depressions*, ed. by David Glassner, Garland Press, New York, 1997.
- “The Stock Market Crash of 1987,” (with A.W. Kleidon) in *Business Cycles, Panics and Depressions*, David Glassner, ed., Garland Press, New York, 1997.
- “On the Volatility of Stock Prices: An Exercise in Quantitative Theory,” *International Journal of Systems Science*, 29, November, 1998 pp. 1203-1211.
- “The Equity Premium,” in *The Global Investor Book of Investing Rules* ed. by Philip Jenks and Stephen Eckett, Harriman House Ltd., Great Britain, 2001.
- “Mood Fluctuations, Projection Bias, And Volatility Of Equity Prices,” (with Raaj Sah), *Journal of Economic Dynamics and Control*, 26, May, 2002, pp. 869-887.
- “Junior Can’t Borrow: A New Perspective on the Equity Premium Puzzle,” (with G.M. Constantinides and J.B. Donaldson), *Quarterly Journal of Economics*, 117, February, 2002, pp. 269-96.
- “Finance 2001,” *Journal of Economic Dynamics and Control*, 26 6/7, 2002, pp. 1069-1074.
- “The Equity Premium: Why Is It A Puzzle?” *Financial Analysts Journal*, January /February 2003, pp 54-69. Awarded a Financial Analysts Foundation Graham and Dodd Scroll for excellence in financial writing.
- “The Equity Premium Puzzle in Retrospect,” (with E.C. Prescott) *Handbook of the Economics of Finance* ed. by G.M Constantinides, M. Harris and R. Stulz, North Holland, Amsterdam, 2003.

- “Junior Must Pay: Pricing the Implicit Put in Privatizing Social Security,” (with J.B. Donaldson and G.M. Constantinides), *Annals of Finance*, 1, January 2005, pp.1-34.
- “Junior is Rich: Bequests as Consumption,” (with J.B. Donaldson and G.M. Constantinides). *Economic Theory* Volume 32, 2007, pp 125-155.
- “The Equity Premium in India,” *Oxford Companion to Economics in India* ed. by Kaushik Basu, Oxford University Press, 2007.
- “The Equity Premium: ABCs,” (with E.C. Prescott) *The Handbook of the Equity Risk Premium*. ed. by Rajnish Mehra, Elsevier, Amsterdam, 2008, pp 1-36.
- “Risk Based Explanations of the Equity Premium” (with J.B Donaldson) *Handbook of Investments: The Handbook of the Equity Risk Premium*. ed. by Rajnish Mehra, Elsevier, Amsterdam, 2008, pp 37-100.
- “Non Risk Based Explanations of the Equity Premium” (with E.C Prescott) *Handbook of Investments: The Handbook of the Equity Risk Premium*. ed. by Rajnish Mehra, Elsevier, Amsterdam, 2008, pp 101-215.
- “The Equity Premium Puzzle: A Review” *Foundations and Trends in Finance*: 2008 Vol. 2: No 1, pp 1-81.
- “Recursive Competitive Equilibrium,” *New Palgrave Dictionary of Economics*, 2nd Edition, Macmillan, 2008, pp 35-38.
- “Indian Equity Markets: Measures of Fundamental Value”, *India Policy Forum*, Volume 6, 2010, pp 1-30
- “Costly Financial Intermediation in Neoclassical Growth Theory” (with F. Piguillem and E.C. Prescott), *Quantitative Economics*, Volume 2, March 2011, pp.1-36.
- “The Equity Premium Puzzle Revisited ” in *Rethinking the Equity Risk Premium*. ed. by P. Brett Hammond, Martin L. Leibowitz, and Laurence B. Siegel, Research Foundation of CFA Institute, Charlottesville, Va. Forthcoming 2011.

BOOK

The Handbook of the Equity Risk Premium, edited volume in the North Holland Handbook of Finance Series, Elsevier, Amsterdam, 2008

OTHER PUBLICATIONS

Discussion of “Sources of Corporate Profits in India: Business Dynamism or Advantages of Entrenchment?” *India Policy Forum*, Volume 7, 2011, pp 85-89.

Discussion of “Can Schooling Policies Affect Schooling Inequality? An Empirical Evaluation of School Location Policies in India” *India Policy Forum*, Volume 4, 2008, pp 92-95.

Discussion of “Sources of Growth in the Indian Economy ” *India Policy Forum*, Volume 3, 2007, pp 53-58.

Discussion of “How Applicable is the Inflation Targeting Framework (ITF) for India?” *India Policy Forum*, Volume 2, 2005, pp. 164-170.

Discussion of “India ’s Experience with a Pegged Exchange Rate,” *India Policy Forum*, Volume 1 2004, pp. 217-224.

“Equity Risk Premium Forum: Current Estimates and Prospects for Change II,” AIMR On Line Publication, <http://www.aimrpubs.org/ap/issues/v2002n1/toc.html>, June 2002.

“Finance 2001: New Paradigms in Finance,” Editor, Special Volume of *JEDC*, North Holland, Amsterdam, 26 6/7, 2002.

“Stocks and Bonds in the Portfolio Life-Cycle,” (with S. J. Davis), *Financial Times* June 4, 2001.

Reprinted in *Mastering Investments*, ed. by James Pickford, FT-Prentice Hall, London, 2002.

“Equity Premium Puzzle,” *Financial Times* May 28, 2001.

Reprinted in *Mastering Investments*, ed. by James Pickford, FT-Prentice Hall, London, 2002.

“Applications of Finance,” Editor, Special Volume of *JEDC*, North Holland, Amsterdam, 1992.

“Auctions: A Sampling of Techniques,” (joint with R.A. Feldman), *Finance and Development*, 30, September, 1993, pp. 32-35.

Reprinted in Arabic, Chinese, French, German, Portuguese and Spanish.

“Role of Auctions in Countries Moving to Market Economies,” *IMF Survey* 2, September, 1993, pp. 275-276.

CASE STUDIES

Connecticut's Challenge: Defense Conversion in the 1990s, (joint with Benjamin Cohen), State Legislative Leaders Foundation, 1993.

WORKING PAPERS

“Consumption-Based Asset Pricing Models” prepared for the *Annual Review of Financial Economics* 2011

“Demographics and Asset Pricing” (with George M. Constantinides and J.B. Donaldson). Working Paper, 2007.

“Portfolio Horizon and Portfolio Strategy” (with Roger Moon and Yong Bae Moon). Working Paper, 2005.

RESEARCH IN PROGRESS

“Market Volatility and Economic Growth,” (with J.B. Donaldson).

“Risk: A New Perspective,” (with J.B. Donaldson).

SEMINARS, LECTURES AND CONFERENCE PARTICIPATION 2005-PRESENT

Yale University, Spring 2005

Stockholm Institute for Financial Research, Spring 2005

Keynote Address, Brazilian Finance Association, Sao Paulo, Summer 2005

India Policy Forum, Delhi Summer 2005

University of Lausanne, Fall 2005

University of Zurich, Fall 2005

Sloan School of Management, MIT, Fall 2005

University of Mannheim, Fall 2005

University of Lugano, Fall 2005

Mannheim Research Institute, OLG Conference, Fall 2005

USC, Spring 2006

Yale University, Spring 2006

Kavli Institute of Theoretical Physics, Spring 2006

India Policy Forum, Delhi. Summer 2006

Hebrew University, Jerusalem. Fall 2006

Norwegian School of Business Admin. & Economics, Winter 2007

Oxford Finance Symposium, Oxford. Summer 2007

Economic Theory Conference, Kos. Summer 2007

India Policy Forum, Delhi. Summer 2007

University of Virginia, Fall 2007

Charles University, Prague, Fall 2007

London Business School, Fall 2007

London School of Economics Fall 2007

Peking University, Fall 2007

20th CRAF Special Lecture University of Tokyo, Fall 2007

Yonsei University, Korea, Fall 2007

Bank of Korea, Fall 2007

Duke University, Winter 2008

University of New South Wales, Sydney, Spring 2008

University of Mannheim, Spring 2008

Arizona State University, Spring 2008

ESSFM Gerzensee Summer 2008

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Columbia University, Fall 2008
University of Chicago, Fall 2008
Reykjavik University, Fall 2008
University of Zurich, Fall 2008
Wharton, University of Pennsylvania, Fall 2008
Economic Forecast Lunch, Arizona State University, Fall 2008
UCLA, Winter 2009
Rice University, Spring 2009
India Policy Forum, Summer 2009
University of Calgary, Fall 2009
UCSD, Fall 2009
India Policy Forum, Summer 2010
ITAM, Mexico City, Fall 2010
Carnegie-Mellon University, Fall 2010
University of Wisconsin, Fall 2010
TIAA/CREF, Winter 2011
Luxembourg School of Finance, Spring 2011
Einaudi Institute for Economics and Finance, Spring 2011
University of Stavanger, Spring 2011
Norges Bank Investment Management, Oslo, Spring 2011
Shanghai University of Finance and Economics, Summer 2011

EDITORIAL BOARD: *Annals of Finance 2004-present*

ASSOCIATE EDITOR: *Journal of Economic Dynamics and Control 1990-2008*
Global Finance Journal 1995- 2005

EDITOR: *Journal of Economic Dynamics and Control, Special Issue on Finance.*
Journal of Economic Dynamics and Control, Finance 2000:New Paradigms in Finance.

ACADEMIC HONORS, KEYNOTE ADDRESSES AND RESEARCH AFFILIATIONS

Keynote Speaker, Shanghai University of Finance & Economics, Summer 2011

Research Associate, Center for Advanced the Study in Economic Efficiency, Arizona State University

Chazen Scholar, Columbia University, 2010

Thormahlen Family Fellowship 2009-2010

Public Lecture, University of New South Wales, 2008

20th CARF Special Lecture, University of Tokyo, Fall 2007

Keynote Speaker, Norges Handelshøyskole (NHH), Winter 2007

External Reviewer, Masters Program in Finance, London Business School, 2007

Academic Advisory Council, Great Lakes Institute of Management, Chennai, India

Keynote Address, Brazilian Finance Association, 2005

Scott Scheon Fellow, Yale University, 2005

Distinguished Finance Scholar, University of Sydney, 2004

Keynote Address, Equity Premium Conference, University of Exeter, 2004

Financial Analysts Foundation Graham and Dodd Scroll Award for excellence in financial writing awarded by the *Financial Analysts Journal*, 2003

ISRO-Satish Dhawan Memorial Lecture, Bangalore, Fall 2003

Member, Research Panel, India Policy Forum (NCAER & Brookings).

Research Associate, National Bureau of Economic Research.

Senior Member, Institute of Electrical & Electronic Engineers.

William Larimer Mellon Fellowship from GSIA, Carnegie-Mellon University - 1974-76.

Fellowship from Carnegie-Mellon University - 1973-74.

Tau Beta Pi - 1972.

Fellowship from Rice University - 1972-73.

RESEARCH GRANTS

National Science Foundation Grant: “Stochastic Properties of Dynamic Economies,” (with J.B. Donaldson).

National Science Foundation Grant: “Recursive Competitive Equilibrium: Some Theoretical Extensions,” (with J.B. Donaldson).

National Science Foundation Grant: “Dynamic Economics: Some Applications,” (with J.B. Donaldson).

Academic Senate Grant, University of California: “Dynamic Finance: Some Applications.”

Academic Senate Grant, University of California: “Monetary Models in Finance: A Framework for Policy Evaluation.”

Academic Senate Grant, University of California: “Dynamic Equilibria in the Presence of Efficiency Wage and Contracting Considerations.”

Academic Senate Grant, University of California: “On the Volatility of Stock Market Prices and Growth.”

GRADUATE STUDENTS SUPERVISED

1978	William Lee	PhD	Columbia	MD, Citigroup Global Markets
1986	Vikram S. Pandit	PhD	Columbia	CEO, Citigroup
1989	Antonio Bonnet*	MS	MIT	President, ACE International Consultants, Madrid
1989	Enrique Casanueva*	MS	MIT	Head of Spain Operations, JPMorgan Chase & Co
1990	Edward B. Dumas	PhD	UCSB	Director of Basel II Assurance, Bank of America
1995	Aarne B. Dimanlig*	PhD	UCSB	Head, Market Risk Management, Bank of Philippines
1996	Yijuan Zheng *	PhD	UCSB	Global Wealth Manager, Merrill-Lynch
1997	Rong Gao *	PhD	UCSB	VP, Mellon Capital Management
1999	Kenji Wada	PhD	Chicago	Professor, Keio University
2000	Yongbae Moon *	PhD	UCSB	Hana Finance Group, South Korea
2002	Seok-Kyun Hur	PhD	Chicago	Fellow, Korea Development Institute
2004	Apollo Lupescu*	PhD	UCSB	VP, Dimensional Fund Advisors
2006	Wei Cui*	PhD	UCSB	Associate Professor, Peking University
2007	Francisco Azeredo*	PhD	UCSB	Associate Director, Navigant Economics
2007	Alok Khare*	PhD	UCSB	Senior Economist, AFE Consulting
2007	Oddegir Ottesen	PhD	UCSB	Senior Manager, Financial Supervisory Authority, Iceland
2007	Wan-Ru Yang *	PhD	UCSB	Assistant Professor, National University of Kaohsiung
2010	Joao Rosario*	PhD	UCSB	Clinical Assistant Professor, ASU

* Chair dissertation committee

GRADUATE STUDENTS (IN-PROGRESS)

Dennie Lim*, Zhiyi Qian, Jin Xian, Daruo Xie*

SELECTED UNIVERSITY SERVICE

Director, Center for the Advanced Study in Economic Efficiency, Arizona State University 2008-09

Chairman, Department of Economics UCSB, 2001- 2004

Member, Faculty Advisory Board of the Center for Entrepreneurship and Engineering Management (CEEM)

Member, Board of Directors UCSB Economic Forecasting Project

Director, Joint Engineering/Economics Program

Member, Ad Hoc Committee for Implementing an MBA program

Director, MAE/BE Program

RAJNISH MEHRA

Member, Recruitment Committee

Member, Faculty Review Committee

Member, Graduate Committee

Chair, MA Committee

Member, Intercampus Ad Hoc Faculty Review Committee

Member, Various University Search Committees

Planned, organized and conducted conference on “Restructuring America: The Challenge of Defense Conversion.” A colloquium for state legislators and corporate leaders, focused on public policy in the post cold war era.

Chairman, Engineering/Economics Committee for the joint BS (Eng)/MA (Bus Econ) Program
Conceived, initiated and successfully implemented a 5-year joint degree program in Engineering and Business Economics. This interdisciplinary program graduates students with Bachelors in Engineering and a Masters in Business Economics.

MAJOR CONSULTING APPOINTMENTS

Vega Asset Management, New York NY.: Advisor for Quantitative Strategies.

HFR Asset Management: Member Index Committee.

Sonnenschein, Nath & Rosenthal, Chicago IL.: Expert Testimony for IPO Valuation.

Salomon Smith Barney, London.: Consultant to the Fixed Income Arbitrage Group on Proprietary Trades, Hedging and Valuation Techniques.

International Monetary Fund, Washington D.C.: Pension Fund Asset /Liability management.

International Monetary Fund, Washington D.C.: Auctions and Privatization in Eastern Europe

International Monetary Fund, Washington D.C.: Portfolio Hedging in the Presence of Price Jumps

PROFESSIONAL ASSOCIATIONS

American Finance Association, American Economic Association, Econometric Society, Institute of Electrical & Electronic Engineers.

Tenure is a category of academic appointment existing in some countries. A tenured post is an indefinite academic appointment that can be terminated only for cause or under extraordinary circumstances, such as financial exigency or program discontinuation. Tenure is a means of defending the principle of academic freedom, which holds that it is beneficial for society in the long run if scholars are free to hold and examine a variety of views. Appointments to this academic staff rank are of limited term and are designed for those who have recently received the doctorate. Appointments are made to academic departments or laboratories/centers with the approval of the department head or laboratory/center director and may require senior officer approval. Appointments are usually for not less than one term and are normally not renewed beyond a total of four years as either a postdoctoral associate or fellow. To ensure that academic appointments and academic promotions are merit based and that the policy and procedures to be followed at each stage of the appointment and promotion process are equitable and transparent. Academic appointments are addressed in sections 1 to 4 and academic promotions in sections 5 to 8. Scope. This policy applies to AIB Academic Staff. An academic appointment is an excellent way for students to earn funding while advancing their own research. The following policies regarding academic appointments apply to all UCSF graduate students in student academic title codes. (All UCSF student academic titles are non-represented.) Students appointed to student academic title codes must be registered at UCSF and in good academic standing.