

# Troy A. Kravitz

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## Education

Ph.D. Economics, University of California, San Diego, 2013

*Concentrations:* Applied Microeconomic Theory (political economy, industrial organization),  
Game Theory

C.Phil Economics, University of California, San Diego, 2010

M.A. Economics, University of California, San Diego, 2008

B.A. Economics, Emory University, 2002

*Honors:* *Summa Cum Laude*, Phi Beta Kappa

*Related study:* London School of Economics, 2000-2001

## *Fellowships*

National Science Foundation Fellow at the Lindau Meetings of Nobel Laureates in Economic  
Science, 2011

Humane Studies Fellowship, Institute for Humane Studies, 2011-2013

San Diego Fellowship, University of California, San Diego, 2006-2010

Graduate Research Fellowship, University of California, San Diego, Department of Economics,  
2008

## *Awards*

Award for Best Undergraduate Teaching, Department of Economics, University of California, San  
Diego, 2011

Dean's List, Emory University, 1998-2002

Highest Honors for Economics Honors Thesis "Unclear Winnings: State Lotteries and Public  
Education Finance," Emory University, 2002

## Employment Experience

### *Federal Deposit Insurance Corporation*

Financial Economist, Center for Financial Research, 2013-present

Representative Experience and Expertise:

**Financial Architecture:** member of team evaluating the scope, desirability and feasibility  
of financial reform legislation and proposals, including how they alter the structure of the  
financial system. Lead author on chapter focusing on the resolution of Systemically Important  
Financial Institutions (SIFIs). The chapter assesses the prospects for resolving SIFIs

with minimal disruption to the real economy and without taxpayer bailouts. Additionally, it provides an assessment of the likely efficacy of provisions within the Dodd-Frank Act. The written product, an in-depth briefing document for the Chairman of the FDIC, will be supplemented with oral presentations and Q&A discussion.

**Recovery and Resolution:** coauthor of a briefing document for the Vice Chairman of the FDIC describing the development, challenges and recent experience of the bail-in resolution paradigm. The document combines legal and economic analysis and highlights ongoing regulatory gaps and areas needing greater international coordination.

**Stress Testing:** member of team developing an internal econometric model to assess bank submissions for the Comprehensive Capital Analysis and Review (CCAR) and Dodd-Frank Act Stress Testing (DFAST) exercises. The model is built for supervisory purposes and enables both analysis of how a bank's balance sheet is predicted to respond to adverse economic shocks and how a bank's forecasted experience compares with those of peer group institutions. The output can be compared directly against the capital paths predicted by a bank's internal model.

**Forecasting Downgrades:** conducted econometric analysis of existing estimation techniques used to forecast future bank ratings downgrades via the FDIC's Statistical CAMELS Off-site Rating (SCOR) system and compared model performance to alternative panel data methods.

### *Urban-Brookings Tax Policy Center*

Research Assistant, 2004-2006

### *AEI-Brookings Joint Center on Regulatory Studies*

Research Assistant, 2002-2004

## Teaching Experience

### *Instructor, University of California, San Diego, Department of Economics*

Intermediate Econometrics, Summer 2011 (Received Teaching Award for course)

Full Evaluation Results [available here](#)

Instructor Recommendation Rate: 98%

Course Recommendation Rate: 91%

Intermediate Econometrics, Summer 2012

Full Evaluation Results [available here](#)

Instructor Recommendation Rate: 92%

Course Recommendation Rate: 93%

### *Teaching Assistant, University of California, San Diego, Department of Economics*

Graduate Courses:

Graduate Microeconomics Qualifying Exam Tutor, Spring 2012  
 Decisions and Markets (graduate core sequence), Fall 2011, Fall 2012 (Mark Machina and Ross Starr)  
 Production and Games (graduate core sequence), Winter 2012 (Christopher Chambers and Joel Watson)

#### Undergraduate Courses:

Advanced Econometrics, Spring 2007 (Yixiao Sun), Winter 2011 (Maria Candido)  
 Decisions Under Uncertainty, Fall 2010 (Chris Chambers)  
 Economics and Public Policy, Fall 2009 (Maria Candido)  
 Financial Accounting, Spring 2010 (Michael Willoughby)  
 Game Theory, Fall 2007 (Joel Watson)  
 Intermediate Econometrics, Winter 2009 (Gordon Dahl), Spring 2011, Spring 2012 (Patrik Guggenberger)  
 Intermediate Microeconomics, Winter 2008 (Michael Noel), Fall 2008 (Jim Andreoni)  
 Mathematical Economics, Spring 2008, Spring 2009, Winter 2010 (Ross Starr)

## Research Experience

*Incentives for Spot Market Labor When Output is Unverifiable:* This paper studies a novel contracting environment plagued by moral hazard. The setting differs from traditional agency theory along two dimensions: no signal about whether effort was exerted is available, and the firm is unable to threaten workers with negative wage payments. The paper characterizes the firm's optimal incentive organization (with J. Aislinn Bohren).

*Lobbying for Influence with Strategic Lawmakers:* Modeled on *Citizens United v. Federal Election Commission* (2010), we study a discriminatory all-pay contest model with a cap in which lobbyists' valuations are endogenously determined by a lawmaker's policy proposal. As the contribution limit is relaxed, (i) total contributions accruing to the politician always increase, which is in contrast to existing results, (ii) the policy proposed by the lawmaker may become more centrist, and (iii) the likelihood of buying the lawmaker's vote does not increase (with Chulyoung Kim).

*Rich Elites, Poor Kings: Rebellion Relief and the Ratchet Effect in Taxation:* A ruler attempts to extract wealth by setting a tax rate to whose maintenance he cannot commit and which the citizens can elect to pay or challenge by revolting. The model exhibits several dynamics that correspond to observed empirical patterns: tax rebellions occur at the bottom of the socio-economic ladder; uncertainty and the risk of rebellion create incentives for the ruler to resort to a regressive tax regime; the amount of resources extracted is limited even when society is relatively wealthy; taxes can increase in war and might never return to the lower pre-war levels; and, rebellion is often "rewarded" by lowering the tax whereas compliance might be penalized by increasing it (with Branislav Slantchev).

*Communication in Repeated Elections:* Two candidates with privately known preferences vie for an elected office offering spoils and legislative control. The incumbent then stands for reelection against a new opponent. Before each election the candidates announce costless, nonbinding platforms. In equilibrium, candidates announcing appealing platforms are elected more often, but they are held to more stringent standards when in office. Credible communication of information through campaigns is possible but greatly limited (with Tim Keller).

"Tax Incentives for Energy Production." 2006. *Tax Notes*, 111: 11. Arlington, VA: Tax Analysts.

“AMT Preference Items, 2002.” 2006. *Tax Notes*, 110: 10. Arlington, VA: Tax Analysts (with Len Burman).

“Minimum Wage, the Earned Income Tax Credit, and Inflation.” 2005. *Tax Notes*, 109: 7. Arlington, VA: Tax Analysts.

“Capital Gains Tax Rates, Stock Markets, and Growth.” 2005. *Tax Notes*, 109: 5. Arlington, VA: Tax Analysts (with Len Burman).

“Income Taxes and Income Inequality Since 1979.” 2005. *Tax Notes*, 109: 4. Arlington, VA: Tax Analysts.

“Volatility of Capital Gains Realizations.” 2005. *Tax Notes*, 108: 10. Arlington, VA: Tax Analysts (with Eric Toder).

“AMT Coverage by State, 2003.” 2005. *Tax Notes*, 107: 2. Arlington, VA: Tax Analysts (with Len Burman).

“Lower-Income Households Spend Largest Share of Income.” 2004. *Tax Notes*, 105: 7. Arlington, VA: Tax Analysts (with Len Burman).

“Do Regulations Requiring Light Trucks To Be More Fuel Efficient Make Economic Sense?” 2003. *AEI-Brookings Joint Center* working paper 03-2. Washington, DC: AEI-Brookings Joint Center for Regulatory Studies (with Randall Lutter).

## Professional Activities

### *Conference & Seminar Presentations*

North American Summer Meeting of the Econometric Society, June 09-12, 2011

Paper Presented: *Incentives in Crowdsourcing*, June 11, 2011

2012 Southwest Economic Theory Conference, February 25-26, 2012

Paper Presented: *Incentives in Crowdsourcing*, February 25, 2012

Microeconomic Theory Seminar, University of California, San Diego

Paper Presented: *Contracting with Moral Hazard and Unverifiable Performance*, October 10, 2012

### *Refereeing*

*American Economic Review*

## Miscellaneous

### *Computer Skills*

Stata, eViews, MatLab, HTML, L<sup>A</sup>T<sub>E</sub>X

### *Employment Eligibility*

United States, Europe