

Publications: Abstracts

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Paper: The Atlantic Telegraph Cable and Capital Market Information Flows
2006. *Journal of Economic History* 66(2): 342-53

Abstract: The completion of the undersea Atlantic telegraph cable more closely integrated securities markets on two continents. This paper conducts an event study on the introduction of the Atlantic Cable in July 1866. Using daily data on one security with a dual listing on the New York and London Stock Exchanges, the event study provides some evidence that the information lag between the two markets shortened from ten days to zero days. Cointegration analysis confirms the result. Historical markets priced securities so well that we can recover transatlantic steamship crossing times from stock prices.

Paper: Deposit Drains on "Interest-Paying" Banks before Financial Crises
2005. *Explorations in Economic History* 42(4): 567-85

Abstract: This paper conducts an econometric test of Diamond and Dybvig's (1983) theory of bank runs as interpreted by Chari (1989) and Calomiris and Gorton (1991). We test whether or not seasonal deposit drains on New York banks coincide with the bank panics of 1873 and 1893 in the United States. We use individual bank level data to illuminate the reason for withdrawals. The evidence reveals that the panic of 1873 could have included a seasonal interior drain. A seasonal interpretation of Diamond and Dybvig's model cannot be applied to the bank panic of 1893.