

**KEITH J. CROCKER**

***Smeal College of Business***  
The Pennsylvania State University  
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Education:

Ph.D. (Economics)	Carnegie-Mellon University Pittsburgh, PA 15213	May 1981
M.S. (Economics)	Carnegie-Mellon University Pittsburgh, PA 15213	May 1978
B.A. (Mathematics and Economics)	Washington and Lee University Lexington, VA 24450	June 1976

Dissertation:

"Essays on Firm Structure with Private Information" (Chairman: Milton Harris)

Fields of Specialization:

The Economics of Insurance, Industrial Organization, Microeconomic Theory

Employment:

The William Elliott Chaired Professor of Insurance and Risk Management	Smeal College of Business The Pennsylvania State University University Park PA	July 2003- present
The Waldo O. Hildebrand Professor of Risk Management and Insurance; <i>and</i> Professor of Business Economics and Public Policy	University of Michigan Business School 701 Tappan Street Ann Arbor, MI	July 1996- June 2003

Professor of Mathematics (courtesy appointment)	Department of Mathematics University of Michigan Ann Arbor, MI	March 1999- June 2003
Professor of Economics	Department of Economics The Pennsylvania State University University Park, PA	July 1995 - June 1996
Associate Professor	Department of Economics The Pennsylvania State University University Park, PA	September 1986- June 1995
Assistant Professor	Department of Economics University of Virginia Charlottesville, VA	January 1981- August 1986
Economist	Division of Consumer Protection Bureau of Economics Federal Trade Commission Washington, DC	January 1980- December 1980
Visiting Instructor	Graduate School of Business University of Pittsburgh Pittsburgh, PA	September 1979- December 1979

Administrative Appointments:

Department Chair	Department of Risk Management Smeal College of Business The Pennsylvania State University University Park, PA	July 2014- present
Group Chair	Business Economics and Public Policy University of Michigan Business School Ann Arbor, MI	July 1998- June 2003
Associate Head	Department of Economics The Pennsylvania State University University Park, PA	July 1994 - June 1995
Board Member	European Group of Risk and Insurance Economists (EGRIE)	2002-2009; 2017- 2019

President	European Group of Risk and Insurance Economists	2018
President	Risk Theory Society	2001

Awards:

President's Award, American Risk and Insurance Association, 2019  
 SCOR-Geneva Risk and Insurance Review Best Paper Award, 2008  
 Excellence in Teaching Award (MBA Core): 2004, 2005, 2006, 2007, 2008, 2009, 2010, 2011, 2012, 2013  
 2002 MBA Student Award for Teaching Excellence  
 2000 Global MBA Brazil Student Award for Teaching Excellence  
 Outstanding Service to the Accounting Department Award (1996)  
 College of the Liberal Arts Alumni Association Outstanding Teacher Award (1993)  
 Omicron Delta Epsilon Departmental Teaching Award (1985)  
 William Larimer Mellon Fellowship (1976-1980)

Refereed Publications:

"The Efficiency of Voluntary Risk Classification in Insurance Markets" (with Nan Zhu), *Journal of Risk and Insurance*, June 2021, pp. 325-350.

"Optimal Policies for Recovering the Value of Consumer Returns" (with Paolo Letizia), *Production and Operations Management*, October 2014, pp. 1667-1680.

"Multidimensional Screening in Insurance Markets with Adverse Selection" (with Arthur Snow), *Journal of Risk and Insurance*, June 2011, pp. 287-307.

"Background Risk and the Performance of Insurance Markets under Adverse Selection" (with Arthur Snow), *Geneva Risk and Insurance Review*, December 2008, pp. 137-160. (Recipient of the SCOR-Geneva Risk and Insurance Review Best Paper Award, 2009)

"The Economics of Earnings Manipulation and Managerial Compensation" (with Joel Slemrod), *RAND Journal of Economics*, Autumn 2007, pp. 698-713. Reprinted in Robert W. Kolb (ed.), *Recent Developments in the Economics of Executive Compensation*, Edward Elgar Publishing (2016).

"Corporate Tax Evasion with Agency Costs" (with Joel Slemrod), *Journal of Public Economics*, September 2005, pp. 1593-1610. Reprinted in D. Dharmapala (ed.), *The Economics of Tax Avoidance and Evasion*, Edward Elgar Publishing (forthcoming April 2017).

“The Economic Effects of Road Safety Improvements: An Insurance Claims Analysis” (with David Feber and Judith Feldmeier), *Journal of Risk and Insurance*, December 2003, pp. 651-664.

“Contracting with Limited Commitment: Evidence from Employment-Based Health Insurance Contracts” (with John Moran), *RAND Journal of Economics*, Winter 2003, pp. 694-718.

“Insurance Fraud and Optimal Claims Settlement Strategies” (with Sharon Tennyson), *Journal of Law and Economics*, October 2002, pp. 469-508.

“Is Honesty the Best Policy? Curtailing Insurance Fraud Through Optimal Incentive Contracts” (with John Morgan), *Journal of Political Economy*, April 1998, pp. 355-375.

“Hardball and the Soft Touch: The Economics of Optimal Insurance Contracts with Costly State Verification and Endogenous Monitoring Costs” (with Eric Bond), *Journal of Public Economics*, January 1997, pp. 239-264.

“Divisionalization, Franchising and Divestiture Incentives in Oligopoly” (with Michael Baye and Jiandong Ju), *American Economic Review*, March 1996, pp. 223-236.

“Divisionalization and Franchising Incentives with Integral Competing Units” (with Michael Baye and Jiandong Ju), *Economics Letters*, March 1996, pp. 429-435.

“Regulation and Administered Contracts Revisited: Lessons from Transaction-Cost Economics for Public Utility Regulation” (with Scott Masten), *Journal of Regulatory Economics*, January 1996, pp. 5-39.

“What Do 'Facilitating Practices' Facilitate? An Empirical Investigation of Most-Favored Nation Clauses in Natural Gas Contracts” (with Thomas Lyon), *Journal of Law and Economics*, October 1994, pp. 297-322.

“Bank Capitalization, Deposit Insurance, and Risk Categorization” (with Eric Bond), *Journal of Risk and Insurance*, December 1993, pp. 547-569.

“The Efficiency of Incomplete Contracts: An Empirical Analysis of Air Force Engine Procurement” (with Kenneth Reynolds), *RAND Journal of Economics*, Spring 1993, pp. 126-146. Reprinted in Claude Menard (ed.), *The International Library of the New Institutional Economics*, Edward Elgar Publishing Ltd, (2004).

“The Social Value of Hidden Information in Adverse Selection Economies” (with Arthur Snow), *Journal of Public Economics*, August 1992, pp. 317-347.

“Smoking, Skydiving and Knitting: The Endogenous Categorization of Risks in Insurance Markets with Asymmetric Information” (with Eric Bond), ***Journal of Political Economy***, February 1991, pp. 177-200. Reprinted in G. Niehaus (ed.), ***Insurance and Risk Management I***, Edward Elgar Publishing Ltd, 2008.

“Pretia ex Machina?: Prices and Process in Long Term Contracts” (with Scott Masten), ***Journal of Law and Economics***, April 1991, pp. 69-99. Reprinted in O. E. Williamson and S. E. Masten (eds.), ***Transaction Cost Economics***, Edward Elgar Publishing Ltd, (1995).

“Mitigating Contractual Hazards: Unilateral Options and Contract Length” (with Scott Masten), ***RAND Journal of Economics***, Autumn 1988, pp. 327-343. Reprinted in P. Spiller (ed.), ***Institutional Law and Economics***, Edward Elgar Publishing, Ltd. (2014).

“The Efficiency Effects of Categorical Discrimination in the Insurance Industry” (with Arthur Snow), ***Journal of Political Economy***, April 1986, pp. 321-344. Reprinted in G. Dionne and S. Harrington (eds.), ***Foundations in Insurance Economics - Readings in Economics and Finance***, Kluwer Academic Publishers, 1991; and G. Niehaus (ed.), ***Insurance and Risk Management I***, Edward Elgar Publishing Ltd, 2008.

“A Reexamination of the 'Lemons' Market When Warranties Are Not Prepurchase Quality Signals,” ***Information Economics and Policy***, June 1986, pp. 147-162.

“Vertically Integrated Governance Structures and Optimal Institutional Arrangements for Cogeneration” (with Michael Crew), ***Zeitschrift für die gesamte Staatswissenschaft/ Journal of Institutional and Theoretical Economics***, June 1986, pp. 340-359.

“Efficient Adaptation in Long Term Contracts: Take or Pay Provisions for Natural Gas” (with Scott Masten), ***American Economic Review***, December 1985, pp.1083-1093. Reprinted in O. E. Williamson and S. Masten (eds.), ***Transaction Cost Economics***, Edward Elgar Publishing Ltd., 1995; S. Masten (ed.), ***Case Studies in Contracting and Organization***, Oxford University Press, 1996; and C. Menard (ed.), ***The International Library of the New Institutional Economics***, Edward Elgar Publishing, 2004.

“A Simple Tax Structure for Competitive Equilibrium and Redistribution in Insurance Markets with Asymmetric Information” (with Arthur Snow), ***Southern Economic Journal***, April 1985, pp. 1142-1150.

“The Efficiency of Competitive Equilibria in Insurance Markets with Asymmetric Information” (with Arthur Snow), ***Journal of Public Economics***, March 1985, pp. 207-219.

"Vertical Integration and the Strategic Use of Private Information," *Bell Journal of Economics*, Spring 1983, pp. 236-248.

Other Publications:

"Stable Relationships" (with John Moran), *Leader's Edge*, Council of Insurance Agents and Brokers, June 2008.

"Prospects for Private Water Provision in Developing Countries: Lessons from 19th-Century America" (with Scott Masten), in *Thirsting for Efficiency: The Economics and Politics of Urban Water System Reform* (Mary M. Shirley, Ed.), Elsevier Science Ltd (2002).

"Markets for Medicine?" (with John Moran), in *The Challenge of Regulating Managed Care* (J. Billi, and G. Agrawal, Eds.), University of Michigan Press, Ann Arbor (2001).

"Why People Buy Liability Insurance Under the Rule of Simple Negligence" (with Neil Doherty), *Advances in Applied Microeconomics: Vol. 9* (M. Baye, Ed.), Elsevier Science: New York (2000).

"Dangerous Intersections" (with David Feber and Judith Feldmeier), *Best's Review* (March 2000).

"The Theory of Risk Classification" (with Arthur Snow), in *Handbook of Insurance* (G. Dionne, Ed.), Kluwer Academic Publishers, Boston (2000); revised for 2nd ed., Springer (2013).

"Managing Risk Before it Manages You", *Financial Times*, the Mastering Strategy Series, October 11, 1999, pp. 8 - 10.

"Costly State Falsification or Verification? Theory and Evidence from Bodily Injury Liability Claims" (with Sharon Tennyson), in *Automobile Insurance: Road Safety, New Drivers, Risks, Insurance Fraud, and Regulation*, (G. Dionne and C. Laberge-Nadeau, Eds.), Kluwer Academic Press, Boston (1999).

"Regulatory Issues with Vertically Disintegrated Public Utilities: A Transaction-Cost Analysis," in *Transaction Cost Economics and Beyond*, J. Groenwegen, ed., Kluwer Academic Publishers, 1995.

"Comments on 'Property Rights and the Preconditions for Markets: The Case of The Amazon Frontier'," *Zeitschrift für die gesamte Staatswissenschaft/Journal of Institutional and Theoretical Economics*, March 1995, pp. 108-111.

"Flexibility Versus Completeness in Long-Term Contractual Relationships: Contracting Between Utilities and IPP's" (with Michael Crew), in ***Economic Innovations in Public Utility Regulation***, M. Crew, ed., Kluwer Academic Publishers, Boston. 1992.

"Diversification and Regulated Monopoly" (with Michael Crew), in ***Competition and the Regulation of Utilities***, M. Crew, ed., Kluwer Academic Publishers, Boston. 1990.

Review of ***The Effectiveness of Antitrust Policy towards Horizontal Mergers*** by D. B. Audretsch, ***Southern Economic Journal***, January 1985.

"Competition, Diversification and Disintegration in Electric Utilities," in ***Retrofit Opportunities for Energy Management and Cogeneration***, Proceedings of the 11th World Energy Engineering Congress, October 1988, pp. 535-540.

Externally Funded Research:

"Contracting with Costly State Falsification: Theory and Empirical Results from Automobile Insurance" (with Sharon Tennyson), National Science Foundation (Grant No. SBR-9507866), November 1995-October 1997.

Editorial Duties:

Editorial Board, ***Journal of Regulatory Economics*** (1989-2002)  
Editorial Board, ***Geneva Risk and Insurance Review*** (2013-present)  
Associate Editor, ***Journal of Risk and Insurance*** (1995-2006)  
Co-Editor, ***Journal of Risk and Insurance*** (2007-2013)  
Co-Editor, ***The Geneva Risk and Insurance Review*** (2000-2012)  
Co-Editor, ***The Journal of Law, Economics and Organization*** (2003-2008)  
Editor-in-Chief, ***Journal of Risk and Insurance*** (2013-2018)

Referee:

***American Economic Review***  
***Canadian Journal of Economics***  
***Econometrica***  
***Economic Journal***  
***Energy Journal***  
***Geneva Papers on Risk and Insurance Theory***  
***International Economic Review***  
***International Journal of Industrial Organization***  
***Journal of Economic Dynamics and Control***  
***Journal of Environmental Economics and Management***  
***Journal of Law, Economics and Organization***  
***Journal of Political Economy***  
***Journal of Public Economics***

*Journal of Economic Behavior and Organization*  
*Journal of Industrial Economics*  
*Journal of Regulatory Economics*  
*Journal of Law and Economics*  
*Journal of Risk and Insurance*  
*Journal of Policy Analysis and Management*  
*Management Science*  
National Science Foundation  
*Rand Journal of Economics*  
*Southern Economic Journal*