

# Public Lecture of Vincent Woo Distinguished Visiting Scholar Programme 2013-14 胡永輝傑出訪問學人講座二零一三至二零一四

## Understanding Bank Runs

### **Professor Manju Puri**

**J. B. Fuqua Professor of Finance  
Fuqua School of Business, Duke University**

Manju Puri is the J. B. Fuqua Professor at the Fuqua School of Business, Duke University. Professor Puri earned her Ph.D in Finance from Stern School, New York University in 1995, and then joined the faculty of the Stanford Business School. She moved to Fuqua in 2003.

Professor Puri's expertise is in the area of financial intermediation and empirical corporate finance, with focus on commercial banks, investment banks, venture capital, entrepreneurship, asset pricing and managerial decisions. Her research has won multiple awards including two Western Finance Association best paper awards, and two Fama-DFA best paper awards in *Journal of Financial Economics*. Professor Puri's research has appeared in publications such as *Journal of Finance*, *Journal of Financial Economics*, *Review of Financial Studies*, *Journal of Business* and *American Economic Review*.

Professor Puri is a coeditor of the *Journal of Financial Intermediation*, and serves as associate editor of several journals including the *Journal of Finance*, *Journal of Money, Credit and Banking*, *Journal of Empirical Finance*, *Journal of Financial Research* and *Journal of Financial Services Research*. She is a Research Associate with the National Bureau of Economic Research.

Professor Puri teaches an elective she created on "Raising Capital" for the MBA students at Fuqua. She also teaches a Ph.D class on Empirical Corporate Finance and has taught Advanced Corporate Finance, and Venture Capital Financing at Fuqua and Stanford Business School. She received several awards for her excellent teaching.

### **SYNOPSIS**

The possibility of bank run is the most significant risk of a fractional reserve banking system. As bank runs can destabilize the banking system and create downward pressure to the real economy, the issue of bank runs has received extensive attention not only from scholars, but also policy makers and practitioners in the finance industry.

Based on a unique minute-by-minute depositor withdrawal data, Professor Puri will offer evidence and insights to understand the effectiveness of deposit insurance, the role of social networks, the importance of bank-depositor relationships and bank capital structure in influencing depositor propensity to run. The public lecture can help understand the underlying dynamics of bank runs and hold important policy implications.

Hong Kong is an international financial center, with a highly open and internationalized banking sector. Hong Kong also serves as an experimental point for the Chinese financial reforms such as the commercialization of commercial banks and internationalization of RMB. The public lecture should be of great interests not only to our Lingnan community but also a wider audience such as practitioners in the banking industry and policy makers in Hong Kong and China.