



The Profitability of New York Stock Exchange Specialists

Wednesday, October 8, 2003, 10:00 a.m.–noon
Wohlstetter Conference Center, Twelfth Floor, AEI

Recent news reports about the compensation of New York Stock Exchange chairman Richard Grasso have focused unusual attention on questions of governance and the absence of market discipline at the NYSE. Because the NYSE is owned and operated by its members and enjoys special government benefits that limit competition for its services, market discipline may not be effective to control costs. One area of NYSE operations that has received recent attention in this respect is the specialist system, in which every NYSE-listed security is assigned to a specialist who is charged with maintaining a market in the security. This exclusive role gives rise to questions similar to the Grasso compensation issue. What outside discipline is brought to bear on specialist compensation, and is it working? This event, the second in AEI's year-long series on the structure of the securities markets, will consider a paper by Brian Becker on the profitability of the specialists that trade NYSE-listed stocks.

- 9:45 a.m. Registration
- 10:00 Introduction: PETER J. WALLISON, AEI
- 10:15 Presenter: BRIAN BECKER, Precision Economics
- Discussant: RANDALL S. KROZNER, AEI
- Moderator: KEVIN A. HASSETT, AEI
- Noon Adjournment

I will attend the event on Wednesday, October 8.

Name: _____
 Title: _____
 Affiliation: _____
 Address: _____
 City/State/Zip: _____
 Telephone: _____ Fax: _____
 E-mail: _____

Please check if this is a new address.

You may register online at www.aei.org/events, or fax this form to 202.862.7171, or mail this form to: Conferences, American Enterprise Institute, 1150 Seventeenth Street, N.W., Washington, D.C. 20036.

For additional information, please contact Jessica Browning at 202.862.5853 or jbrowning@aei.org. For media inquiries, please contact Veronique Rodman at 202.862.4871 or vrodman@aei.org.