PLACEMENT BROCHURE

2016-2017

DEPARTMENT OF ECONOMICS
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PhD Administrator: Andrew Campolieto
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October 2016

Dear colleague:

Attached please find the CVs and abstracts of the Ph.D. students formally on the job market from the Boston University Department of Economics. This is a strong cohort, and I encourage you to consider them carefully for any job openings that you may have.

As you may be aware, our department has grown significantly in quality and stature and is now one of the top-rated economics departments in North America and the world, currently ranked 13th in the world by REPEC based on research papers and publications. This change in quality has been mirrored in the quality of our graduate students. In the last five years, our doctoral candidates have taken tenure-track jobs at Brown, Harvard Medical School, London School of Economics, Purdue, Vanderbilt, Warwick, National University of Singapore, Yale-National University of Singapore, University of Texas – Dallas, UNSW, Renmin, Shanghai University of Finance and Economics, Penn State, Wayne State, Oklahoma, University of Kent, New College, and other fine universities and colleges. Our students have also found research positions at Harvard, The World Bank, the Federal Reserve Board; post-doc positions at Harvard, Oxford, Minnesota, and EUI; and jobs at Amazon, Analysis Group, Charles River Associates, and many other top companies, research institutes, banks, and central banks.

Reflecting a continuing increase in the quality of our entering graduate students and our stringent standards for remaining in the Ph.D. program, we have an excellent group of job market candidates this year. I urge you to closely study the summaries of these candidates and to be in touch with the candidates, their advisors, or me if you need any further information.

This full booklet, as well as job market candidate web pages and research papers, are available on our website at http://www.bu.edu/econ/phd/outcomes/phdcandidates/.

You can contact me at ellisrp@bu.edu, by phone at (617) 353-2741. I will be happy to talk with you about any of the candidates, but in particular about the micro and econometric students, since these are my areas of expertise. My colleague Professor Simon Gilchrist (sgilchri@bu.edu, 617-353-6824) is also helping with job placement and is a better choice if you wish to discuss the macroeconomics and international economics candidates more fully. If you have difficulty reaching a candidate, please feel free to contact me or the Ph.D. program administrator Andrew Campolieto by email (acamp@bu.edu) or phone at 617-353-4454.

I hope the enclosed packet will be useful in your recruiting efforts.

Sincerely yours,

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Costas Cavounidis

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**Job Market Paper:** When Does Information Determine Market Size? Search and Rational Inattention  
**C.V. | Website | ccavouni@bu.edu**  
**References:** Kevin Lang, Sambuddha Ghosh, Bart Lipman, Juan Ortner

Jonathan Hersh

**Fields:** Development, International, Applied Econometrics, Machine Learning  
**Job Market Paper:** Poverty from Space: Using High Resolution Satellite Imagery for Welfare Estimation and Geographic Targeting  
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**References:** Marianne Baxter, Sam Bazzi, Ray Fisman, John Byers

Yue Jiang

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**Job Market Paper:** Fire Sales and Endogenous Volatility  
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**Job Market Paper:** Price Setting and Volatility: Evidence from Oil Price Volatility Shocks  
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**References:** Simon Gilchrist, Adam Guren, Stephen Terry, Raphael Schoenle

Michael Lipsitz

**Fields:** Labor Economics, Organizational Economics, Health  
**Job Market Paper:** Cutting out the Competition: The Effect of Labor Market Conditions on Noncompete Agreements  
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**References:** Andrew Newman, Kevin Lang, Juan Ortner
Calvin Luscombe

Fields: Industrial Organization, Health, Applied Microeconomics  
Job Market Paper: Marijuana Access and the Demand for Opioids in Medicare Part D  
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References: Randall Ellis, Francesco Decarolis, Keith Ericson

Talal Rahim

Job Market Paper: Can Peer-to-Peer Platforms Improve Market Outcomes by Controlling Market Prices?  
C.V. | Website | rahimt@bu.edu  
References: Marc Rysman, Berardino Palazzo, Hiroki Kaido

Svetoslav Semov

Fields: Financial Economics, Industrial Organization  
Job Market Paper: Common Ownership, Competition and Firm Financial Policy  
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References: Stephen Terry, Evgeny Lyandres, Berardino Palazzo

Yuan Tian

Fields: Econometrics, Financial Econometrics, Development Economics  
Job Market Paper: Expecting the Unexpected: Uniform Quantile Regression Bands with an Application to Investor Sentiments  
C.V. | Website | ty@bu.edu  
References: Zhongjun Qu, Pierre Perron, Ivan Fernandez-Val

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Job Market Paper: Inequality Trends, Marginal Income Tax Progressivity Regimes and the Current Account  
C.V. | Website | hwa4@bu.edu  
References: Christophe Chamley, Stephen Terry, Alisdair McKay
Wenjia Zhu

Fields: Health Economics, Microeconometrics, Development Economics

Job Market Paper: Breadth of Provider Networks and Health Care Costs: Evidence from the US Employer-Based Health Insurance Market

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References: Randall Ellis, Thomas G. McGuire, Keith M. Ericson, Samuel Bazzi
PhD Candidates 2017

Boston University Department of Economics

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By Field

Computational Economics

Jonathan Hersh
Matthew Klepacz
Talal Rahim

Industrial Organization

Calvin Luscombe
Talal Rahim
Jonathan Hersh
Svetoslav Semov

Development Economics

Jonathan Hersh
Wenjia Zhu
Yuan Tian

International Economics

Peter Huaiyuan Wang
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Yuan Tian

Econometrics

Yuan Tian
Jonathan Hersh
Matthew Klepacz
Talal Rahim
Wenjia Zhu

Labor Economics

Michael Lipsitz
Costas Cavounidis
Peter Huaiyuan Wang

Economic History

Peter Huaiyuan Wang

Macroeconomics/Monetary Economics

Svetoslav Semov
Talal Rahim
Yue Jiang
Yuan Tian

Microeconomics

Costas Cavounidis
Calvin Luscombe

Financial Economics

Health Economics

Wenjia Zhu
Calvin Luscombe
Michael Lipsitz

Organizational Economics

Michael Lipsitz

Theory

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EDUCATION
Ph.D., Economics, Boston University, Boston MA, May 2017 (expected)
Dissertation Title: Three Essays on Information and Adverse Selection
Main advisor: Kevin Lang
Dissertation Committee: Kevin Lang, Bart Lipman and Sambuddha Ghosh

M.A., Economics, Boston University, Boston MA, 2011

B.A., Economics, Tufts University, Medford MA, 2009

FIELDS OF INTEREST
Microeconomics, Theory, Labor Economics

TEACHING EXPERIENCE
Teaching Assistant, Introduction to Microeconomics, Department of Economics,
Boston University, Fall 2012 and Spring 2013

WORK EXPERIENCE
Research Assistant for Professor Kevin Lang, Department of Economics, Boston University, 2013-Present
Research Assistant, Foundation for Economic and Industrial Research, Athens, Greece, 2005-2006 and 2008-2009

COMPUTER SKILLS: MATLAB, Tex, STATA, Microsoft Office.

CITIZENSHIP/Visa: American and Greek Dual Citizenship

CONFERENCES AND PRESENTATIONS
NBER Summer Institute, Cambridge, Massachusetts, 07/2015. Oral Presentation.

WORKING PAPERS
“When Does Information Determine Market Size? Search and Rational Inattention,”
Job market paper, November 2016.

“Discrimination and Worker Evaluation,”
(with Kevin Lang), March 2016.

“An Impossibility Theorem in Repeated Games,”
(with Sambuddha Ghosh), November 2016.

WORK IN PROGRESS
“When Adverse Selection in the Poaching Market,”
(with Kevin Lang), very rough draft available upon request.

“Ben-Porath meets Lazear: Lifetime Skill Investment with Multiple Skills,”
(with Kevin Lang), very rough draft available upon request.

“Playing Hard to Get: Signaling and Learning in Courtship,”
(with Kevin Lang and Gautam Bose).

REFERENCES

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November 2016
COSTAS CAVOUNIDIS

When Does Information Determine Market Size? Search and Rational Inattention (Job Market Paper)

I develop a model in which optimal costly information acquisition by individual firms causes adverse selection in the market as a whole. Each firm’s information acquisition policy determines which customers they provide to, and that in turn affects the distribution of customers remaining in the market and hence other firms’ incentives. I show that if firms possess the ability to choose any signal of the customer’s type, in equilibrium all firms in the market will profit. By contrast, with restricted signal choice, only a limited number of firms can be profitable. In such a setting, the maximum number of profitable firms fails to increase with the number of potential customers. Smooth information acquisition dampens the adverse selection externality due to each firm, while lumpy information acquisition does not. I establish that my results apply to a broad class of continuous-time information acquisition processes.

Discrimination and Worker Evaluation (with Kevin Lang)

African-Americans face shorter employment durations than apparently similar whites. We hypothesize that employers discriminate in either acquiring or acting on ability-relevant information. We construct a model with a binary information generating process, ‘monitoring’, at the disposal of firms. Monitoring black but not white workers is self-sustaining: new black hires are more likely to have been screened by a previous employer than white workers and therefore firms find it optimal to discriminate in monitoring. While the model shares some features of models of coordination failure, the ‘bad’ equilibrium cannot be undone by coordinating the behaviors of black workers and employers. Instead, the equilibrium is determined by history and is not easily reversed. Simply increasing the skill level of black entrants to the work force to equal that of white entrants may be inadequate. The model's additional predictions, lower lifetime incomes and longer unemployment durations for blacks, are both strongly empirically supported.

An Impossibility Theorem in Repeated Games (with Sambuddha Ghosh)

We prove a negative result in repeated games which shows that a sizable part of the set of feasible individually rational payoffs can never be supported by strategies that are at all robust to players’ discount factors. We find the cutoff defining this region and interpret it as a limit on the ability to punish deviations when future rewards for randomization cannot be finely calibrated. Furthermore, we present a robust folk theorem to support payoffs in the complementary region with “Blackwell-Nash” strategies that remain SPNE at all greater discount factors.

Ben-Porath meets Lazear: Lifetime Skill Investment with Multiple Skills (with Kevin Lang)

We develop a fairly general and tractable model of investment when workers can invest in multiple skills and different jobs put different weights on those skills. In addition to expected findings such as that younger workers are more likely than older workers to respond to a demand shock by investing in skills whose value has unexpectedly increased, we derive some less obvious results. Credit constraints may affect investment even when they do not bind in equilibrium. If there are mobility costs, firms will generally have an incentive to invest in some of their workers’ skills even when there are similar competitors, and, in equilibrium there can be overinvestment in all skills. Worker skill accumulation resembles learning by doing even in its absence.

November 2016
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EDUCATION
Ph.D., Economics, Boston University, Boston MA, May 2017 (expected)
   Dissertation Title: Applications of econometrics and machine learning in development
   and international economics
   Main advisor: Marianne Baxter

M.S., Management and Applied Economics, University of Pennsylvania Wharton School of
   Business, Philadelphia, PA, 2011

B.A., Economics, University of Chicago,
   Chicago, IL, 2005

WORK EXPERIENCE
Consultant, World Bank Group, Poverty Global Practice, 2014-2016
Managing Research Director, University of Chicago Center for Population Economics, 2011-
   2012
Research Professional, University of Chicago Booth School of Business, 2008-2009
Economist, RCF Economic and Financial Consulting, 2006-2008
Systems Analyst and Developer, McMcaster-Carr Supply Company, 2005-2006

TEACHING EXPERIENCE
Visiting Lecturer, MIT, Fall 2016, Department of Political Science, Course: Quantitative
   Research Methods III (PhD quantitative methods course)
Visiting Lecturer, Wellesley College, Spring 2016, Courses: Principles of Microeconomics,
   Economic Development
Teaching Fellow, Microeconomic Theory, Department of Economics, Boston University,
   2013-2014
Teaching Assistant, Probabilistic and Statistical Decision-Making for Management,
   Questrom School of Business, Boston University, 2013

FELLOWSHIPS AND AWARDS
Hariri Institute for Computational Science Graduate Fellowship (2016)
Big Data Innovation Challenge Award, World Bank Group (2014)
Teaching Fellowship, Boston University (2013-2014)

JOB MARKET PAPER
“Poverty from Space: Using High Resolution Satellite Imagery for Estimating Economic
   Well-being and Geographic Targeting” (with Ryan Engstrom and David Newhouse),
   September 2016.
**Publications/Submitted Papers**


**Working Papers**

“Unintended Consequences of the African Growth and Opportunity Act: The Role of Trade Diversion and Structural Change,” (with Klaus-Peter Hellwig), September 2015.


**Work in Progress**

“Firm Entry and Export Performance when Firm Credit is Constrained; Evidence from Ethiopia and the African Growth and Opportunity Act”

**Conferences and Presentations**

Computational and Financial Economics CFE, Seville, Spain (2016)  
CSAE: Economic Development in Africa, Oxford University (2016)  
Eastern Economic Association (2016)  
Firms in International Trade, Kiel Institute (2015)  
CEPR/CREI Workshop on “Cornucopia Quantified” (2010)  
Economic History Association (2009)  
Northwestern University, Department of Economics (2009)

**Languages**

English (Native), Spanish (Conversant)

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This paper uses Sri Lankan data to investigate the ability of features derived from high spatial resolution satellite images to accurately predict poverty in small areas. We employ algorithms to extract both object and texture features from satellite imagery, which are then used to train models of local area poverty and economic well-being. Object-based features derived include the number and density of buildings, shadow area (building height proxy), car counts, the density of paved and unpaved roads of various widths, the type of farmland, and roof material. These variables are matched to estimated poverty rates and average log consumption for 1,287 Gram Niladhari (GN) Divisions covering a total area of roughly 3,500 sq. km. Predictions from a baseline binomial logit model, using only these satellite features as explanatory variables, explain sixty percent of poverty and sixty-five percent of average log GN consumption. We control for overfitting by using Lasso-regularization, which suggest these results approximate out-of-sample fit. We perform policy simulations which suggest these poverty estimates perform as well as official estimates for geographic targeting. In comparison to night time lights, our measures are two to eight times as efficient for geographic targeting, as night time lights cannot accurately measure well-being of sparsely populated areas.

Unintended Consequences of the African Growth and Opportunity Act: The Role of Trade Diversion and Structural Change (with Klaus-Peter Hellwig)

This paper investigates the effects of preferential trade programs such as the U.S. African Growth and Opportunity Act (AGOA) on the direction of African countries' exports. While these programs intend to promote African exports, textbook models of trade suggest that such asymmetric tariff reductions could divert African exports from other destinations to the tariff reducing economy. We examine the import patterns of 177 countries and estimate the diversion effect using a triple-difference estimation strategy, which exploits time variation in the product and country coverage of AGOA. We find no evidence of systematic trade diversion within Africa, whereas diversion from other industrialized destinations to the US was significant, in particular for apparel products. At the same time, we show that, more than diverting trade, AGOA had positive spillovers on the product composition of trade, which suggests that the product coverage of preferential trade agreements can influence structural change in Africa.

Building a Better Model: Variable Selection to Predict Poverty in Pakistan and Sri Lanka (with Marium Afzal and David Newhouse)

This paper uses out-of-sample validation techniques to evaluate alternative prediction models of household poverty. Using household data from Pakistan and Sri Lanka, we compare the model accuracy using manual selection, stepwise regression, and Lasso-based procedures, and also examine how much incorporating publically available satellite data improves model accuracy. The main findings are that: 1) Lasso outperforms both discretionary and stepwise models in Pakistan, where the set of potential predictors is large. 2) Lasso and stepwise models give comparable results in Sri Lanka, with its fewer predictors. 3) Model accuracy model depends considerably on the poverty threshold. 4) Including satellite data improves poverty predictions in Sri Lanka, where predictors are scarce, but not in Pakistan. 5) Including satellite data increases the benefit of using Lasso in Sri Lanka. We conclude that among the three model selection methods considered, Lasso-based models are preferred for generating poverty predictions, especially with a rich pool of candidate variables, and incorporating publicly available satellite data can considerably improve the accuracy of regional poverty predictions when the pool of candidate variables from household surveys is smaller.

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  M.A., Political Economy, Boston University, Boston, MA, 2013

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FIELDS OF INTEREST
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  Teaching Assistant, Macroeconomics, Graduate Level, Boston University, Fall 2013
  Teaching Assistant, Monetary and Banking Institutions, Boston University, Fall 2013
  Teaching Assistant, Intermediate Macroeconomics, Boston University, Spring 2013, Fall 2012

FELLOWSHIPS AND AWARDS
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  Travel Grant, Institute for Economic Development, Boston University, Summer 2016
  Teaching Fellowship, Department of Economics, Boston University, 2012 – 2015
  Dean’s Fellowship, Graduate School of Arts and Sciences, Boston University, 2011 – 2013
  Dean’s List, School of Business and Management, Hong Kong University of Science and Technology, 2008 – 2011

WORK EXPERIENCE
  Research Assistant, Christophe Chamley, Boston University, 2015
  Intern, Finance Department, ABN ARMO Bank, Beijing, China, Winter 2008

PUBLICATIONS
WORKING PAPERS
“Fire Sales and Endogenous Volatility,” (Job Market Paper), 2016

WORK IN PROGRESS
“ Imperfect Credibility of the Central Bank,” December 2013

CONFERENCE AND WORKSHOPS
17th Trento Summer School in “Macroeconomic Externalities and Coordination”,
Institute of New Economic Thinking, Trento, Italy, July 2016 (Presentation)
(Presentation and Discussion)
Green Line Macro Meeting, Boston College, MA, November 2016 (Presentation)
RiskLab/BoF/ESRB Conference on Systemic Risk Analytics, European Systemic Risk Board,
Helsinki, Finland, October 2016 (Invited)

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YUE JIANG

Fire Sales and Endogenous Volatility (Job Market Paper)

After the collapse of the housing bubble in 2007, severe fire sales of assets in the financial sector are accompanied by a rise in the volatility of asset returns in the non-financial firms. To account for their co-movement, I develop a model that highlights the interaction between the financial health of the banking sector and the volatility of asset returns. The novel feature of the model is that the volatility of asset returns is endogenously generated by the banks' risk taking behavior. The risk taking by banks imposes a negative externality on the financial health of other banks because given the risk aversion of secondary market buyers, the liquidation of risky assets depresses the secondary market price of assets. A weak financial health hurts the bank's long-term profitability. Combining with the limited liability, the model can give rise to a vicious feedback loop between a collective risk taking behavior in the banking sector and fire sales of assets. A standard liquidity requirement is shown to have ambiguous effects in stabilizing the financial system depending on the asset market liquidity. The model suggests a room for counter-cyclical macroprudential policy to improve financial stability.

The Impact of Uncertainty Shocks on the Firm’s Customer Base

I study the interaction between uncertainty shocks and product market frictions and propose a new transmission mechanism through which uncertainty shocks negatively affect the real economy. Empirical evidence indicates that fluctuations in idiosyncratic uncertainty have negative impacts on the firm’s investment in customer capital. Based on this observation, I incorporate customer capital investment into the firm's problem. Similar to the investment in physical capital, the firm needs to spend resources to acquire new customers and to maintain its existing customer base. Product market friction arises because the firm’s revenue is now jointly determined by its production and its customer base. When the firm receives a low TFP, its customers could be potentially better-off terminating the relationships with the firm and switch to their outside options. To maintain its customer base, the firm has to lower its price. The loss due to customer base maintenance is high especially when its productivity is low. Therefore uncertainty shocks would dampen the firm's profitability and discourage firm investments.

The Imperfect Credibility of Central Banks

The paper studies the optimal monetary policy when central banks have imperfect credibility. Contrary to the binary “commitment vs. discretion” commitment setting, central bankers in this model are able to commit to the optimal plans they formulate, but only over some finite (random) horizons due to their temptation to renege on the plans. The horizon of a central bank regime is closely related to the probability households assign on whether the current central banker will commit to what he promised. In another word, the probability can be interpreted as a measure of central bank credibility. This paper assumes that the central bank credibility depends negatively on the past inflations. Therefore, in addition to the traditional inflation output tradeoff, the central bank would contemplate on the impact of inflation on its future credibility and the social welfare as well. The main finding is that a central bank would enhance its credibility directly through a more “conservative” inflation policy. Moreover, a high sensitivity of credibility to past inflations contributes to a deeper and longer recession in the presence of a cost-push shock.
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EDUCATION  
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Dissertation Committee: Simon Gilchrist, Adam Guren, Stephen Terry, and Raphael Schoenle  

M.A., Statistics, University of Pittsburgh, Pittsburgh PA, 2011  

B.S., Statistics (Magna Cum Laude), University of Pittsburgh, Pittsburgh PA, 2010  

B.A., Economics (Magna Cum Laude), University of Pittsburgh, Pittsburgh PA, 2010  

FIELDS OF INTEREST  
Macroeconomics, Monetary Economics, Econometrics, Computational Economics  

TEACHING EXPERIENCE  
Lecturer, Economic Statistics, Department of Economics, Boston University, Summer 2013  
Teaching Fellow, Introductory Macroeconomics, Department of Economics, Boston University, Fall 2012, Spring 2013, Spring 2014  
Teaching Assistant, Introduction to Statistics, Department of Statistics, University of Pittsburgh, Fall 2010  
Teaching Assistant, Statistics in the Modern World, Department of Statistics, University of Pittsburgh, Spring 2009, Fall 2009  

WORK EXPERIENCE  
Research Assistant, Simon Gilchrist, Boston University, Fall 2013- Fall 2016  
Intern, Securities and Exchange Commission, Division of Risk, Strategy, and Financial Innovation, Summer 2010  

FELLOWSHIPS AND AWARDS
Dissertation Fellowship, Federal Reserve Board, Division of Research and Statistics, Summer 2016
Research Assistantship, Boston University, Fall 2013, Fall 2014, Spring 2015, Fall 2015, Spring 2016, Fall 2016
Summer Teaching Fellowship, Boston University, 2013
Teaching Fellowship, Boston University, Fall 2012, Spring 2013, Spring 2014
Teaching Fellowship, University of Pittsburgh, 2010-2011
Honors College Undergraduate Scholarship, University of Pittsburgh, 2006-2010

WORKING PAPERS
“Equipment, Structures, and Uncertainty,” August 2016

WORK IN PROGRESS
“A Multi-Sector Model of Price Setting with Time Varying Volatility.”

CONFERENCES AND PRESENTATIONS
Macro Dissertation Workshop, Boston University, Fall 2013, Spring 2014, Spring 2015, Spring 2016, Fall 2016
Federal Reserve Board of Governors June 2016, August 2016
BC/ BU Green Line Macro Meeting November 2016

COMPUTER SKILLS: Stata, SAS, Matlab, R, Microsoft Office, LaTex
CITIZENSHIP: USA

REFERENCES

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Professor Raphael Schoenle
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How do changes in aggregate volatility alter the impulse response of output to monetary policy? To analyze this question, I study whether individual prices in Producer Price Index micro data are more likely to move in the same direction when aggregate volatility is high, which would increase aggregate price flexibility and reduce the effectiveness of monetary policy. Taking advantage of plausibly exogenous oil price volatility shocks and heterogeneity in oil usage across industries, I find that price changes are more dispersed – which implies that prices are less likely to move in the same direction – when aggregate volatility is high. This contrasts with findings in the literature about idiosyncratic volatility. I use a state-dependent pricing model to interpret my findings. Random menu costs are necessary for the model to match the positive empirical relationship between oil price volatility and price change dispersion. This is the case because random menu costs reduce the extent to which firms with prices far from their optimum all act in a coordinated fashion when volatility increases. The model implies that increases in aggregate volatility do not substantially reduce the ability of monetary policy to stimulate output.

**Equipment, Structures, and Uncertainty**

This paper studies the effects of uncertainty on investment with multiple types of capital. A model with two types of capital, short-lived equipment and long-lived structures, and nonconvex adjustment costs is constructed to examine the role of economies of scope on investment purchases. The model incorporates economies of scope in the investment choice, and experiences a deeper and more persistent fall in output following an uncertainty shock than a model with separate fixed costs of adjustment for each type of capital. This result is due to a larger extensive margin for investment in structures under a single fixed cost, where firms are more likely to disinvest in structures following the increase in uncertainty. Evidence from a structural vector autoregression shows that investment in structures falls four quarters after an uncertainty shock, while investment in equipment falls within one quarter. The model with economies of scope in investment purchases is consistent with these results.

**A Multi-Sector Model of Price Setting with Volatility Shocks**

Heterogeneity in price setting behavior between sectors can amplify the effects of monetary shocks. I examine how this heterogeneity interacts with time varying idiosyncratic volatility in a multi-sector menu cost model. The model confirms the results from Nakamura and Steinsson (2010) that sectoral heterogeneity in price change frequency increases monetary non-neutrality. It has previously been shown that during periods of heightened idiosyncratic volatility there is an increased trade-off between output stabilization and inflation. However the model results show that the introduction of heterogeneity mutes the increasing trade-off between inflation and output stabilization during periods of increased idiosyncratic volatility. This occurs because the less flexible sector does not react as strongly to increases in volatility compared to the more flexible sector, dampening the overall effect.
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EDUCATION
Ph.D., Economics, Boston University, May 2017 (expected)
   Dissertation Title: Three Essays in Labor & Organizational Economics
   Main Advisor: Andrew Newman
   Dissertation Committee: Kevin Lang, Andrew Newman, and Juan Ortner

FIELDS OF INTEREST
   Labor Economics, Organizational Economics, Health Economics

TEACHING EXPERIENCE
   Instructor, Microeconomic Theory (Masters/Ph.D.), Department of Economics, Northeastern University, Fall 2015
   Instructor, Game Theory, Summer Challenge, Boston University, Summer 2014 & Summer 2015
   Instructor, Sports Economics, Department of Economics, Boston University, Spring 2014, 2015, & 2016
   Instructor, Introductory Microeconomic Analysis, Department of Economics, Metropolitan College of Boston University, Fall 2013
   Teaching Fellow, Introductory Microeconomic Analysis, Department of Economics, Boston University, Fall 2012, 2014 & 2015, Spring 2013
   Teaching Assistant, Statistical Methods in Economics, Department of Economics, Haverford College, Fall 2007 & Fall 2008
   Teaching Assistant, Economic Statistics with Calculus, Department of Economics, Haverford College, Spring 2008 & Spring 2009
   Teaching Assistant, Statistical Methods and Their Applications, Department of Mathematics, Haverford College, Spring 2009
   Teaching Assistant, Linear Optimization and Game Theory, Department of Mathematics, Haverford College, Spring 2008
   Laboratory Instructor, Statistical Methods in Economics, Department of Economics, Haverford College, Fall 2008

PROFESSIONAL AND RESEARCH EXPERIENCE
   Research Assistant to Professor Iván Fernandez-Vál, Boston University Economics Department, Boston MA.
   June 2013 – June 2016
   Research Assistant to Professor Carola Frydman, Boston University Economics Department, Boston, MA,
   December 2013 – August 2014
   Researcher, Bryn Mawr Graduate School of Social Work, Bryn Mawr, PA, 2009
   Research Assistant, Haverford College Department of Economics, Haverford, PA, 2008

AWARDS AND FELLOWSHIPS
   Gitner Prize for Excellence in Teaching Undergraduates, 2016
   Institute for Economic Development Student Research Award of $1,500 (for data collection for “Cutting out
   the Competition”), 2015
   Pass with Distinction, Boston University Microeconomics Qualifying Examination, 2012
   Boston University Teaching Fellowship, 2011-2016
PUBLICATIONS/SUBMITTED PAPERS


WORKING PAPERS
“Cutting Out the Competition: The Effects of Labor Market Conditions on Noncompete Agreements” (with Matthew Johnson), October 2016.


SOFTWARE PROFICIENCIES
R, LaTeX, STATA, SAS, Visual Basic, Mathematica

SOFTWARE PACKAGES
“quantreg.nonpar: Nonparametric Series Quantile Regression in R,” June 2015 (with Alexandre Belloni, Victor Chernozhukov, and Iván Fernandez-Vál)

PROFESSIONAL SERVICE
Referee for The R Journal
Boston University Labor Reading Group Organizer, 2014-2015

CITIZENSHIP
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Michael Lipsitz

Cutting Out the Competition: The Effect of Labor Market Conditions on Noncompete Agreements (With Matthew Johnson)

Noncompete agreements (NCAs), which contractually limit where an employee may work in the event of a job separation, have been recognized as tools employers use to protect nonphysical production assets and to reduce turnover. However, recent evidence that NCAs are widely and increasingly used in lower-wage jobs suggests our understanding of NCA use remains incomplete. In this paper, we show NCA use is affected by limitations on the transferability of utility between an employer and employee that constrain the market-clearing wage. We find support for our model’s predictions using a new survey of owners of independent hair salons, an industry in which NCAs are widely used. Using two distinct measures of labor market conditions as well as the minimum wage, we find that declines in labor market conditions and decreases in transferability of utility are associated with increases in NCA use. Furthermore, we generate a test for identifying when NCAs reduce an employer and employee’s joint surplus (i.e., when NCAs are pairwise inefficient), and we identify a subset of firms in our sample, characterized by limited access to credit, for which NCAs are inefficient.

Noncompete Agreements and the Labor Market

Noncompete agreements have increased in prevalence for low-wage workers in recent years, even in occupations in which production technology has remained constant. To explain this phenomenon, I develop a dynamic model of a labor market and a corresponding goods market in which noncompete agreements are used to transfer future expected surplus to employers, even when such contracts are inefficient. When liquidity constraints bind market-clearing wages, noncompete agreements may be used in equilibrium. Steady state equilibria, in which contracts and the size of the market persist, exist when many employees are able to enter the labor market. When employee entry is limited, noncompete cycles may occur: noncompete agreements force employees out of the labor market. In subsequent periods, usage of noncompete agreements diminishes, and the labor market slowly replenishes. Current trends in usage may be due to increases in low wage labor supply, decreases in goods market demand, or may be part of a noncompete cycle.

Employee Poaching and Promotion: A Theory with No Informational Advantages

Employees may invest in human capital in order to become more attractive to potential employers. When an employee may be promoted from within or may be poached by an outside employer, incentives become more complicated. Empirically, we see that 1) poached employees earn a wage premium upon hiring; 2) poached employees tend to be less effective and exhibit greater failure rates; and 3) employee poaching is more prevalent in favorable economic climates. Economic theory typically suggests adverse selection, which implies that externally hired employees will be paid less when outside firms have less information, and theory that can explain poached employees earning more often relies on informational advantages to the outside market. I outline a two period model in which an employee determines investment in human capital in the first period and firms make simultaneous wage offers to the employee in the second. Whether or not the employee invested is unknown to the incumbent and outside firms, and the model accommodates informational advantages for both types of firm. When the value of an employee’s output is great enough and employees are more likely to emit unclear signals when they have not invested, an equilibrium exists in which all three empirical regularities are satisfied.
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EDUCATION
Ph.D., Economics, Boston University, Boston MA, May 2017 (expected)
  Dissertation Title: Choice and Consequences, Economics of Pharmaceuticals and Health Insurance
  Dissertation Committee: Randall Ellis, Francesco Decarolis and Keith Marzilli Ericson

M.A., Economics, Boston University, Boston MA, May 2014

B.A., Economics and B.A. Mathematics, University of Hawaii at Hilo, Hilo HI, 2010

FIELDS OF INTEREST
Health Economics, Industrial Organization, Applied Microeconomics

TEACHING EXPERIENCE
Instructor, Empirical Economics I and II, Department of Economics, Boston University, Summer 2014
Teaching Fellow, Empirical Economics I and II, Department of Economics, Boston University, Fall 2013
Teaching Fellow, Introductory Microeconomic Theory, Department of Economics, Boston University, Fall 2012 – Spring 2013

WORK EXPERIENCE
Research Assistant for Francesco Decarolis, Department of Economics, Boston University, Spring 2014-Present
Supervisor
  Math Tutor Coordinator, University of Hawaii at Hilo, Hilo Hawaii, Fall 2010 – Spring 2011

FELLOWSHIPS AND AWARDS
NBER Research Assistant (Funded under National Science Foundation Grant # SES-1357705)
  2015-Present
Department Fellowship, Boston University Department of Economics, 2012-2016
IED Travel Grant, Boston University, 2016
IED Travel Grant, Boston University, 2016
IED Research Award, Boston University, 2015
IED Research Award, Boston University, 2013

PUBLICATIONS AND SUBMITTED PAPERS
WORKING PAPER
“Marijuana Access and the Demand for Opioids in Medicare Part D” (Job Market Paper, Oct 2016)

WORK IN PROGRESS
“Plan Choice, Star Ratings and Switching Behavior in Privatized Medicare” (joint with Francesco Decarolis and Andrea Guglielmo)
“Physician Transfers and Direct to Consumer Advertising for Pharmaceuticals: Information Acquisition and Joint Decision Making Under Asymmetric Incentives” (joint with Arthur Smith and Bruno Martins)
“Insurer Participation in Federally Facilitated Health Insurance Marketplaces: A Closer Look at Within Rating Area Entry Decisions” (joint with Ye Wang and Wenjia Zhu)

CONFERENCES AND PRESENTATIONS
AcademyHealth Annual Research Meeting, Boston, June, 2016
American Society of Health Economists, University of Pennsylvania, June, 2016
Hawaii's International Conference for the Social Sciences, University of Hawaii at Manoa, May, 2010

REFEREE EXPERIENCE
Social Science & Medicine

COMPUTER SKILLS
STATA, Matlab, SAS, Cluster Computing, LaTeX, Mathematica, KNITRO, Microsoft Office, Gauss, R

OTHER
Yoga, dance, swimming, rock climbing

CITIZENSHIPS
Citizen of USA and Canada

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Marijuana Access and the Demand for Opioids in Medicare Part D (Job Market Paper)

The ongoing opioid epidemic is a major cost for the US health care system. An under-explored countervailing force to this phenomenon is the concurrent increase in access to medical marijuana. This is particularly relevant for Medicare Part D where nearly 1 in 3 beneficiaries use prescription opioids at least once a year. This paper is the first to quantify the effect of changes in local access to medical marijuana dispensaries on the use of prescription opioids. While concerns about marijuana as a gateway drug are valid in a small portion of this Medicare sample, in aggregate this effect is dominated by substitution away from opioids. Furthermore, access to marijuana improves uptake and efficacy of opioid replacement therapy for the treatment of opioid addiction. These findings suggest that the expansion of medical marijuana access helps alleviate rather than exacerbate the opioid epidemic at least among Medicare beneficiaries.

Take Your Pills: The Benefits Of Adherence

This paper estimates the effect of poor adherence to statin medication on medical costs using MarketScan claims data on 400,062 commercially insured Americans suffering from cholesterol imbalance from 2007 to 2012. Using variation in statin side effect rates to instrument for adherence, I find that a 30-day supply of statins induces a 1 percent decrease in total medical costs the following year. Enrollees save proportionally from statin consumption, yet poor adherence is prevalent. Estimates indicate insurers can profit by reducing out-of-pocket cost of statin medication.

Plan Choice, Star Ratings and Switching Behavior in Privatized Medicare

Open enrollment periods are pervasively used in insurance markets to limit the extent of adverse selection that could emerge if enrollees were free to switch insurance plans at will. In this study, we empirically analyze the effects on enrollees' behavior of the weakening of the open enrollment rules of Medicare Part C and D. Under the “5-star Special Enrollment Period” reform of 2012, beneficiaries can switch to 5-star rated plans at anytime. Exploiting heterogeneity in exposure to the reform, via the lack of 5-star plans in some markets, we assess to what extent and which enrollees switch plans, both within and across years. We find a positive and significant increase in the within-year change in enrollment caused by the reform: switches to 5-star contracts amount to a 7 percent to 16 percent increase of the contract enrollment base. We then look for evidence of sophisticated beneficiary behavior via choosing a non 5-star plan during open enrollment and then switching to a 5-star plan only after experiencing a health shock, but we find little evidence of this form of sophistication. We conclude by exploring the demographic composition, and changes in utilization, of beneficiaries who switch mid year to identify the effect of the reform on selection and on moral hazard. Contrary to adverse selection concerns, we find that insurer risk pools improve suggesting that the policy was effective in stimulating 5-star plan enrollment without driving up 5-star plan costs.
EDUCATION
Ph.D., Economics, Boston University, 2011 – 2017 (expected)
Dissertation Title: *Essays in Industrial Organization of Financial Markets*
Dissertation Committee: Marc Rysman, Hiroaki Kaido, Berardino Palazzo


FIELDS OF INTEREST
Industrial Organization, Financial Economics, Applied Econometrics, Computational Economics

FELLOWSHIPS AND AWARDS
Department Fellowship, Boston University Economics Department, 2012 – Present
Initiative of Cities Fellowship, Boston University, 2015
Co-Recipient of First Prize, Smart City Track, Thingwrorx Internet of Things Hackathon, 2015
Co-Recipient of Runner Up Prize, Wearables Track, MIT Medicine Grand Hackathon, 2015
University Merit Scholarship, Lahore School of Economics, 2005 – 2009

RESEARCH WORK EXPERIENCE
Research Assistant for Prof. Hiroaki Kaido,
Department of Economics, Boston University, 2016 – Present
Data Science Fellow, Office of Mayor,
City of Providence, 2015
Research Assistant, Managerial Economics and Strategy Group,
London School of Economics and Political Science, 2010 – 2011
Research Associate, Center for Economics & Business,
Lahore School of Economics, 2009 – 2010

TEACHING EXPERIENCE
Teaching Fellow, Department of Economics, Boston University
Financial Economics, M.A. level
Public Control of Business, M.A. level
Environmental Economics, M.A. level
Topics in Macro and Monetary Theory, M.A. level
Introduction to Macroeconomics, Undergraduate level
WORKING PAPERS


“What Drives the Expansion of Peer-to-Peer Lending?” with Olena Havrylchyk, Carlotta Mariotto and Marianne Verdier, 2016

WORK IN PROGRESS


RESEARCH REPORTS


LANGUAGES: English and Urdu/Hindi

COMPUTER PROGRAMMING: R, Matlab, Stata, Python, Ampl

CITIZENSHIP - VIS A: Pakistan - F1

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WORKING PAPERS


In many Peer-to-Peer (P2P) online markets the transactions between buyers and sellers are facilitated by platforms who often control the market prices. This restricts a fundamental function of a market: its ability to aggregate information and reflect it in prices. In this paper I use micro data from an online P2P credit market to show evidence of better allocation of credit when prices are set by the platform instead of by competing lenders in an auction. I specify and estimate an econometric model of loan demand and repayment and exploit unique variation in the platform’s pricing schedule to identify key parameters. I use the estimated parameters to conduct a counterfactual experiment in which borrowers are offered prices determined through an auction among lenders. I find that when lenders set prices, borrowers are more likely to switch to shorter maturity loan contracts, small loan sizes and lower repayment. Aggregated at the market level, demand for credit and repayment of credit owed fall by 10% and 2% respectively. This has important implications for an online platform’s ability to improve the allocation of credit by controlling market prices.

What Drives the Expansion of Peer-to-Peer Lending? (with Olena Havrylchyk, Carlotta Mariotto and Marianne Verdier), 2016

Peer-to-peer lending platforms are online intermediaries that match lenders with borrowers. We use data from the two leading online lenders, Prosper and Lending Club, to explore main drivers of their expansion in the United States. We exploit the heterogeneity in local lending markets at the county level to analyze three hypotheses for the penetration of online lenders: 1) crisis-related; 2) competition-related; and 3) Internet-related. Our findings support the competition-related hypothesis as online lenders have expanded more in areas with lower density of branch network and lower bank concentration that we interpret as weaker brand loyalty. We also document that spatial, socio-economic and demographic characteristics determine the expansion of online lenders.
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EDUCATION
Ph.D. in Economics, Boston University, Boston MA, 2017 (expected)
   Dissertation Title: Essays in Corporate Finance
   Dissertation Committee: Stephen Terry, Evgeny Lyandres, Berardino Palazzo
B.A., Economics and Mathematics, Valedictorian
   Gettysburg College, Gettysburg PA, 2011

FIELDS OF INTEREST
   Financial Economics, Industrial Organization

TEACHING EXPERIENCE
   Instructor, Intermediate Macroeconomics, Department of Economics, Boston University, Summer 2013.
   Teaching Fellow, Introductory Macroeconomic Analysis, Department of Economics, Boston University, 2012-2015

FELLOWSHIPS AND AWARDS
   Boston University: Dean’s Fellowship, Boston University, 2011-2016
   Best Honors Thesis in Economics, Gettysburg College, 2011
   Earl E. Ziegler Senior Mathematics Awards (highest GPA), Gettysburg College, 2011
   Phi Beta Kappa (junior year), Gettysburg College, 2010
   Erdős number: 3

WORK EXPERIENCE
   Research Assistant for Charles Weise, Gettysburg College, May 2010 - August 2010

PUBLICATIONS

WORKING PAPERS
   "Common Ownership, Competition and Firm Financial Policy" (Job Market Paper).

WORK IN PROGRESS
   "Competition and Internal Capital Markets"
   "Managerial Ownership and Innovation", (with P. Quinn and J. Thornock)

LANGUAGES: Bulgarian (native), English (fluent), German (intermediate).
Svetoslav I. Semov

**Computer Skills:** Stata, Matlab, Python, R, and \LaTeX

**Citizenship/Visa:** Bulgaria/F1

**References**

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**Professor Berardino Palazzo**  
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November 2016
SVETOSLAV I. SEMOV

Common Ownership, Competition and Firm Financial Policy

I examine how common institutional ownership of industry rivals affects firm financial policy. Using data on U.S. public firms and their owners, I show that firms which enter the objective function of their rivals’ owners with a greater weight hold lower cash reserves. These results are consistent with a reduced product market threat stemming from increased coordination among commonly held rivals. Firms respond to this reduced threat by maintaining lower financial flexibility. The results are robust to using both common ownership by indexing investors and the inclusion of rivals in the S&P 1500 index as instruments. Finally, I find that leverage serves a similar role as cash and firms adjust it upward when common ownership increases. Overall, the evidence provides support for “deep pockets” theories of financial policy in which firms adjust their financial flexibility in accordance to the competitiveness of the environment in which they operate.

Competition and Internal Capital Markets

I study how conglomerate firms use their internal capital markets to respond to competitive shocks to their core industries. Understanding the functioning of internal capital markets is important, because most resource allocation in the economy occurs within firms (Matvos and Seru, 2014). Theory is ambiguous about the relationship between competition and capital allocation within firms. It is possible that higher competition increases the likelihood of adverse shocks and leads to more diversification as firms reallocate capital to industries whose investment opportunities and cash flows are not perfectly correlated with the firm’s core industry. It is also possible that competition increases the incremental gains from investment in the firm’s main industry and firms reallocate resources away from their non-core divisions. In this paper, I empirically evaluate the relative importance of these two effects.

Managerial Ownership and Innovation (with P. Quinn and J. Thornock)

We study the relation between managerial ownership and firm innovation. As managers’ ownership claims increase, there are two competing effects. The first is an alignment effect that makes the managers more aligned with the equity shareholders of the firm. The second is a diversification effect, which exposes managers to more undiversified risk at higher levels of ownership, because their wealth becomes even more sensitive to firm performance. Using a plausibly exogenous shock to managerial ownership, we find evidence consistent with the alignment effect of managerial ownership. Our results suggest that managerial ownership leads to greater total innovation and greater exploration.
**YUAN TIAN**

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**EDUCATION**

Ph.D., Economics, Boston University, Boston MA, USA, May 2017 (expected)  
Dissertation Title: *Econometric analysis of heterogeneity in financial markets using quantile regressions*  
Dissertation Committee: Zhongjun Qu, Pierre Perron, and Ivan Fernandez-Val

M.A., Political Economy, Boston University, Boston MA, USA, 2014

B.A., Mathematical Finance and Mathematical Economics *(Summa Cum Laude)*  
Central University of Finance and Economics, Beijing, China, 2011

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**FIELDS OF INTEREST**

Econometrics, Financial Economics, Development Economics

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**TEACHING EXPERIENCE**

Teaching Fellow, Empirical Econometrics, Boston University, Fall 2016  
Teaching Assistant, Intermediate Macroeconomics, Department of Economics, Boston University, Fall 2015, Spring 2016  
Lecturer, International Trade, Department of Economics, UMass Boston, Fall 2014  
Teaching Assistant, Statistics for Economics, Boston University, Fall 2012, Spring 2013

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**WORK EXPERIENCE**

Pre-doctoral Research Fellow, Global Economics Governance Initiatives, Center for Finance, Law and Policy, Boston University, 2013-2015  
Data Analysis Internship, China Council for the Promotion of International Trade, Beijing, China “Going Global” Development Report, 2010

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**FELLOWSHIPS AND AWARDS**

Pre-doctoral Fellowship on Cross-Border Capital Flows Fall 2013- Spring 2015  
Boston University Teaching Fellowships Fall 2012- Spring 2013 Fall 2015- Fall 2016  
China Scholarship Council Award 2011-2014
Yuan Tian

PUBLICATIONS/SUBMITTED PAPERS


WORKING PAPERS


CONFERENCES AND PRESENTATIONS

Australian Conference for the Econometric Society (presentation), Sydney Australia, 2016
Dynamics, Economic Growth and International Trade XX (presentation and discussant), Geneva Switzerland, 2015
Econometric Society World Congress, Montreal Canada, 2015
8th International Conference on Financial Econometrics (presentation), Pisa Italy, 2014

LANGUAGES: Fluent in English, Native in Chinese

COMPUTER SKILLS: STATA, R, MATLAB

CITIZENSHIP/Visa: China/F1

REFERENCES

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Ivan Fernandez-Val
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Expecting the Unexpected: Uniform Quantile Regression Bands with an Application to Investor Sentiments (Job Market Paper)

This paper develops uniform confidence bands for the linear quantile regression (QR) estimator in a time series setting. Such bands are useful for documenting the differences in responses at different quantiles of the conditional distribution. The inference procedure allows for serially correlated error terms, and is carried out through bootstrapping. I apply this method to the relationship between investor sentiments and future realized returns in quantiles, and show the following results: (1) there is pronounced heterogeneity in the slope parameter of the quantile regression; (2) this coefficient is slightly positive at lower quantiles while significantly negative at higher quantiles; (3) the negative relationship suggests that, at such quantiles, more optimistic predictions are correlated with lower future returns, a puzzling phenomenon that awaits further study.

Heterogeneity in Development Funding for Micro enterprises: Quantile Regression Evidence from Sri Lanka Field Experiments

This paper focuses on the heterogeneity of firm’s characteristics on development funding. It develops a theoretical model under utility maximization framework with imperfect insurance and credit markets constraints. The model derives the returns to capital determined by firm’s size, structure and entrepreneur’s utility form. Through quantile regression, the empirical evidence from Sri Lanka Microenterprises Project (2005-2010) shows that the returns vary across different quantiles of firm’s profits. The advantage of quantile regression is to identify heterogeneity in returns to capital and address the effect in distributions. The ability/risk aversion of entrepreneur affects the returns significantly differently on the distribution of profits. It also summarizes the development funding policy and offers advice on policy evaluation in Sri Lanka.

Housing Price Volatility and the Capital Account in China (with Kevin P. Gallagher)

China experienced significant price volatility in its housing market from 2005-2013. In this paper, we examine the extent to which a) short-term capital flows and FDI may have further impacted the prices and volatility in the Chinese housing market and b) whether China’s 2006 Capital Account Regulations (CARs) on foreign purchases of Chinese real estate were effective in reducing the level and volatility of prices in China’s housing markets. We find that 2006 CAR policy did not appear to have impact on reducing housing prices, but had a strong impact on reducing volatility in Chinese housing market. The quantile regression analysis shows that hot money magnified the impacts of capital flows on housing prices during upward surges in the housing price. In terms of market volatility, QR results suggest that the more volatile the housing market became, the larger the impact short-term capital flows had on accentuating such volatility. Furthermore, we find that the 2006 CARs continued to have a strong impact on reducing volatility in the Chinese housing market during the period under study.
**Peter Huaiyuan Wang**

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**Education**

*Ph.D.* in Economics, Boston University, Boston MA, June 2017 (expected)  
Dissertation Title: *Inequality, Current Account and Fiscal Policy*  
Dissertation Committee: Christophe Chamley, Stephen Terry and

*M.A.* in Economics, Boston University, Boston MA, June 2011

*M.A.* in Economics, Simon Fraser University, Vancouver BC, June 2010

*B.A.* in Economics *First Class Honors*, Simon Fraser University, Vancouver BC, June 2009

**Fields of Interest**

Macroeconomics, International Economics, Inequality, Economic History

**Teaching Experience**

*Instructor*

Introductory Macroeconomics, Metropolitan College, Boston University, Spring 2017

Intermediate Microeconomics, Metropolitan College, Boston University, Fall 2016

Environmental Economics, Department of Economics, Boston University, Spring 2015

*Teaching Fellow*

Economic History (M.A. course), Department of Economics, Boston University, Fall 2013 - Fall 2015

Public Finance (M.A. course), Department of Economics, Boston University, Fall 2013 - Fall 2015

Statistics for Economics, Department of Economics, Boston University, Fall 2012

International Trade & Finance, Simon Fraser University, Fall 2010 - Spring 2011

**Work Experience**

Research Assistant for Michael Baker and Kevin Milligan, NBER, 2011 - 2015

Research Assistant for Guillem Riambau, Boston University, 2010 - 2011

**Fellowships and Awards**

Department Fellowship, Boston University, 2012 - 2015

RA Mentorship Program Fellowship, Boston University, 2011

Graduate Fellowship, Simon Fraser University, 2010

**Conferences and Presentations**

Green Line Macro Meeting, Boston College, November 2016 (scheduled)

**Professional Service**

Organizer for Macro Reading Group, Department of Economics, Boston University, 2014 - 2015
WORKING PAPERS
"Inequality, Government Transfers and Sovereign Defaultable Bonds", Apr. 2016

WORK IN PROGRESS
"Sovereign Debt Restructuring and Investor Coordination"

COMPUTER SKILLS: Stata, Matlab, \LaTeX

LANGUAGES: English, Mandarin Chinese

CITIZENSHIP: Canada

REFERENCES
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Inequality Trends, Marginal Income Tax Progressivity Regimes and the Current Account
(Job Market Paper)

Is there a relationship between top income inequality and the current account? We use national accounting to connect top income inequality to the current account through household marginal propensity to consume, marginal income tax progressivity, fiscal revenue and expenditure. Empirically we observe a negative relationship between inequality and the current account conditional on highly progressive income tax systems; tax revenues also rise with top income inequality coupled with progressive marginal income taxes. Thus the negative conditional correlation could only appear either if fiscal revenues are transferred to low income households who have a rapidly rising marginal propensity to consume as inequality rises, or if government expenditure is rising rapidly along the inequality trend, bringing about both fiscal deficits and current account deficits. We incorporate these forces into a dynamic two-country general equilibrium model to study the effects of top and bottom tax cuts on the current account as well as the fiscal balance.

Inequality, Government Transfers and Sovereign Defaultable Bonds

Inequality increases the probability of sovereign default; the sovereign borrows for the purpose of redistribution, and also to cover government expenditure. Default on Sovereign bonds occur when the one time increase in utility of poor households due to higher transfers outweigh the risk of remaining in autarky for an extended period of time. Government income tax policy to redistribute income also affect the sovereign’s decision to default, and this paper studies the behavior of a nation’s sovereign defaultable bond accumulation in the face of inequality for the purpose of aiding poor consumption, as well as how does progressive income tax policies reduce the probability of sovereign default motivated by income inequality.

Sovereign Debt Restructuring and Investor Coordination

This paper builds a global game model where there could be a good equilibrium under which investors coordinate and agree to sovereign debt restructuring in the face of sovereign debt distress, while a bad equilibrium could also arise in which investors can not coordinate on accepting the sovereign debt restructuring, leading to sovereign debt crisis and eventual default. Under fiscal stress, the sovereign authority issues restructuring terms to all investors, asking for a delayed payment with slightly higher returns. Only a large enough portion of investors accepting the restructuring offer prevents an outright sovereign debt crisis, under which the authority has no choice but to default on its existing liabilities next period.
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EDUCATION
Ph.D., Economics, Boston University, Boston MA USA, May 2017 (expected)
Dissertation Title: Health Plan Innovations and Health Care Costs in the Commercial Health Insurance Market
Dissertation Committee: Randall P. Ellis, Thomas G. McGuire, Keith M. Ericson
M.A., Economics, Duke University, Durham NC USA, 2011
B.A., Mathematical Economics, Fudan University, Shanghai China, 2009

FIELDS OF INTEREST
Health Economics, Microeconometrics, Development Economics

FELLOWSHIPS AND AWARDS
Becker Friedman Institute Health Economics Fellowship, University of Chicago, 2016 – 2017
Research Assistantship, Boston University, Fall 2013, Fall 2014, Spring 2015, Fall 2015, Spring 2016
Institute for Economic Development Travel Grant, Boston University, 2014, 2015, 2016
Summer Research Grant, Department of Economics, Boston University, 2013, 2014
Teaching Fellowship, Boston University, Fall 2012, Spring 2013, Spring 2014
Award for Leadership and Academic Excellence, Duke University, May 2011
Department of Economics Master’s Scholar, Duke University, 2010 – 2011
Excellent Undergraduate Scholarship, Fudan University, 2005 – 2009

RESEARCH EXPERIENCE
Research Assistant for Dr. Randall P. Ellis, Department of Economics, Boston University, September – December 2013, September 2014 – May 2016
Research Assistant for Dr. Thomas G. McGuire, Department of Health Care Policy, Harvard Medical School, June – August 2015

TEACHING EXPERIENCE
Teaching Assistant, Statistics for Economists (Master’s level), Boston University, Spring 2014
Teaching Assistant, Microeconomic Theory (Master’s level), Boston University, Spring 2014
Teaching Assistant, Organizational Economics (Master’s level), Boston University, Spring 2014
Teaching Assistant, Health Economics (Master’s level), Boston University, Spring 2013
Teaching Assistant, Mathematical Economics (Master’s level), Boston University, Fall 2012
Teaching Assistant, Economics of Less-Developed Regions, Boston University, Fall 2012
Teaching Assistant, Microeconomic Theory (Master’s level), Duke University, Spring 2011
Teaching Assistant, Money and Banking, Fudan University, Spring 2009

ACADEMIC PRESENTATIONS
2016 Empirics and Methods in Economics, 1st Annual Conference; Evanston, IL, USA
Emerging Scholars Roundtable (invited); Chicago, IL, USA
American Society of Health Economists, Sixth Biennial Conference; Philadelphia, PA, USA
2015 International Health Economics Association, 11th World Congress; Milan, Italy
2014 American Society of Health Economists, Fifth Biennial Conference; Los Angeles, CA, USA
Publications/Submitted Papers

Working Papers

Work in Progress

Professional Activities
Reviewer, Journal of Health Economics
Reviewer, Scientific Committee of International Health Economics Association, 2015

Certifications
SAS Certified Statistical Business Analyst, April 2014
SAS Certified Advanced Programmer, March 2014
SAS Certified Base Programmer, January 2014

Computer Skills: SAS, Stata, LaTeX, Mathematica, Microsoft Office (Word, Excel, PowerPoint, Visio)

Languages: English (fluent), Chinese Mandarin (native)

References
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Selective provider contracting is a popular strategy for cost containment by US health plans. Selective contracting means consumers have access to a subset of providers in the market or have to pay a higher-tiered cost of access to providers not included in their plan’s selected network. The effects of restricted provider choice have been understudied in part due to the challenge of obtaining reliable measures of breadth of these provider networks. This paper first develops a statistical method for inferring plan-level breadth of provider networks using claims data. To overcome the difficulty that health care providers are not observed when their services are unused, I develop a new statistical methodology that prioritizes high enrollment/low provider density markets where a plan’s provider breadth can be more reliably inferred. Using an instrumental variable strategy, I find evidence that narrow network plans redirect patients from in-network to out-of-network services but only modestly lower expected costs. A one standard deviation reduction in in-network providers per 1,000 patients in a plan (about 12 providers) corresponds to a $167 cost savings per year in outpatient services (about 6.9% of the mean), although the effect is not significant. The corresponding cost savings in in-network outpatient services are $770 per year (about 35% of the mean), driven by a 23% lower probability of seeking in-network care. There is no evidence in the data that narrower network plans have lower provider prices, whether for all services or just for services that are paid in-network, suggesting that narrow network plans are not successful in keeping low-cost providers.

**An Iterative Approach to Estimation with Multiple High-Dimensional Fixed Effects: Controlling Simultaneously for Patients, Providers and Counties** *(with Siyi Luo and Randall P. Ellis)*

We present a new estimation algorithm programmed in SAS that is particularly designed for models with multiple high-dimensional fixed effects, instrumental variable estimation, clustered standard errors and large datasets, features that are common when modeling health care utilization but that none of the existing commands can feasibly handle. The core of our algorithm is to absorb fixed effects sequentially until they are asymptotically eliminated. Monte Carlo simulations show that our approach exactly matches results from estimating with fixed effect dummies. We apply the algorithm to US employer-based health insurance market data, and analyze health care utilization of 63 million person months from which we remove fixed effects for 1.4 million individuals, 150,000 primary care doctors, 3,000 counties, 465 employer-year-single/family coverage types and 47 months. We find that narrow network plans (exclusive provider organizations, health maintenance organizations and point-of-service plans) reduce the probabilities of monthly provider contacts (by 11.1%, 5.7%, 3.6%, respectively) relative to preferred provider organizations, while consumer-driven/high-deductible plans are statistically insignificantly different (95% CI: -3.6% to 4.6%).

**Health Plan Type Variations in Spells of Health Care Treatment** *(with Randall P. Ellis)*

This paper examines how health care utilization of insured employees at large firms are influenced by health plan types. We focus on differences between preferred provider organizations (PPOs) and two recent innovations: (1) plans that feature a narrow panel of providers (i.e. EPOs), and (2) plans that allow free choice of providers but increase demand-side cost sharing (i.e. CDHPs/HDHPs). Our analysis employs a new “treatment spells” approach in which we study “30-day” fixed length periods that commence with a service after a gap in provider contact. We find that health plan effect estimates change dramatically after controlling for endogenous plan type choice, and individual fixed effects. With these controls, EPOs reduce the probability of new treatment spells relative to PPOs by 6.4% with little effect on chronic, repeat visit spells. Visit reductions are more concentrated in less severe conditions in EPOs, hence diagnostic coding on the remaining patients increases. We find no evidence that either EPOs or CDHPs/HDHPs pay lower prices per procedure or have less intensive treatment given initiation of treatment.