

Yushin Bu

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Last updated: November 8, 2023

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Citizenship and Visa Status

Republic of Korea (F-1)

Education

Ph.D. Economics, The Ohio State University, 2024 (expected)

Committee: Aubhik Khan (chair), Julia Thomas, and Kyle Dempsey

M.A. Economics, The Ohio State University, 2020

B.A. Economics, Korea University, 2013

Research Interests

Macroeconomics, imperfect competition, financial frictions

Research Papers

“Rise of Startup Acquisitions and the Slowdown of Recoveries” (Job Market Paper)

(Abstract)

Startup acquisitions have become increasingly common and are now an important part of the economy. However, startups face particularly challenging times during recessions and may want to sell their ideas. This may affect the economy’s response to shocks. To address it, this paper studies a general equilibrium model with heterogeneous firms, oligopolistic competition, and startup acquisitions. In the model, an incumbent can acquire a potential entrant by paying the net value of the entry. Startup acquisition may improve the incumbent’s productivity, but at the same time, it eliminates the potential competitor and fosters the formation of a dominant incumbent. Furthermore, the presence of the dominant firm can facilitate future startup acquisitions by suppressing the net value of entry. Regarding this, I constructed a merged dataset of Refinitiv Eikon M&A database and Compustat. In the data, when a firm’s markup is higher than other firms in an industry, the firm is likely to acquire the startups, consistent with the model simulation. In perfect foresight, the model suggests that the economy can suffer from slower recovery in the presence of startup acquisitions. Furthermore, a shock that disproportionately affects potential entrants has a prolonged effect, even if it is temporary.

“Learning and Default Risks: Implications on Firm Entry and Business Cycle”

(Abstract)

The Great Recession featured heightened uncertainty and tightened financial constraints. The average employment size of firms in a cohort born during the Great Recession was smaller, and this smaller average size of the cohort was persistent. This paper studies the effect of uncertainty shocks under default risks on the number of firms and the average size of firms in the cohort. I build a general equilibrium model with heterogeneous firms that learn their base productivity over time and face default risks. When the uncertainty shocks hinder learning, (i) the selection effect becomes weaker, and (ii) loan rates become more adverse. While the average size of firms in a cohort becomes larger during the recession without learning, the increase in the average size of firms in the cohort is suppressed when learning is present.

Policy papers

“The Price of Goods and Services: The Recent Trends and Implications (with Kiyoung Jeon),” Bank of Korea (in Korean), 2016

“The Movement and Implications of Sticky and Flexible Prices (with Bumyoung Seol),” Bank of Korea (in Korean), 2016

“The Impact of Decline in Producer Prices and Import Prices on Manufacturers’ Profits (with Minho Nam),” Bank of Korea (in Korean), 2016

“The Analysis on Cyclical Sensitivities of Items in Consumer Price Index (with Seongha Park and Kanguk Choi),” Bank of Korea (in Korean), 2016

“Recent Discussions about Monetary Policy Frames (with Jiho Lee and Heejee Chang),” Bank of Korea (in Korean), 2015

Conference and Seminar Presentations

2023: MEA annual conference, Economics Graduate Student Conference by Washington University in St. Louis, Midwest Macro meetings (scheduled)

Workshops

Macro Finance Research Program Summer Session for Young Scholars, the University of Chicago, 2022

Financial Market and the Macro-economy, Kiel Institute, 2016

Short-term Forecasting at Central Banks, Central Bank of the Republic of Türkiye, 2015

Statistical Matching and Record Linkage, Eurostat, 2014

Research Experience and Other Employment

Research assistant, Professor Khan and Professor Thomas, 2022-2023

Junior economist, Bank of Korea, 2013-2018

Awards and Scholarship

Departmental Citations for the Excellence of Teaching, The Ohio State University, 2021

Doctoral Study Scholarship, Bank of Korea, 2017

Deputy Prime Minister's Commendation for Contribution to Price Stabilization, Ministry of Strategy and Finance (Korea), 2017

2nd place, the Research of the Year, Bank of Korea, 2016

Teaching Experience

TA, Macro Theory 1A (Ph.D.), The Ohio State University (AU 2022, AU 2023)

TA, Principle of Microeconomics, The Ohio State University (SP 2021, SP 2022)

TA, Principle of Microeconomics, The Ohio State University (AU 2020, AU 2021)

Programming Skills

FORTRAN, MATLAB, STATA, EViews

Languages

Korean (Native), English (Fluent)

References

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Professor Julia Thomas
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Professor Kyle Dempsey
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