Soyoung Lee

Office Address
Department of Economics
The Ohio State University
1945 N High St., 410 Arps Hall
Columbus, OH 43210

https://sites.google.com/view/soyoung-lee/
soyoung.lee.n@gmail.com
+1 614 584 4492

Citizenship and Visa Status
South Korea (F-1 visa)

Education
Ph.D. Economics, The Ohio State University, 2020 (expected)
Dissertation: "Essays in Macroeconomics"
Committee: Professor Aubhik Khan (Chair), Professor Julia Thomas, Professor Kyle Dempsey
M.A. Economics, The Ohio State University, 2015
B.A. Seoul National University, 2008

Teaching and Research Fields
Primary fields: Macroeconomics
Secondary fields: Econometrics

Research Papers
"The Macroeconomic Effects of Debt Relief Policies during Recessions" **(Job Market Paper)**
I study the effect of debt relief programs during recessions allowing for both mortgages and unsecured lending. I build a dynamic stochastic general equilibrium model with uninsurable income risk, financial assets, houses, mortgages, bankruptcy and foreclosure.
Consumer bankruptcy has self-reinforcing in general equilibrium. In recessions, bankruptcy can mitigate the fall in house prices by reducing foreclosures and thus generating a less pronounced fall in house price. This implies less foreclosure. Likewise, mortgage forgiveness programs designed to reduce foreclosure and support house prices in recessions, reduce bankruptcy on unsecured credit.
I find that a mortgage principal reduction program that brings down the loan to value ratio of highly leveraged borrowers leads to large and persistent increases in consumption, investment and output. Despite the principal reduction only applies to mortgage, it has modest effect on bankruptcy as well. The policy initially benefits only households with large mortgage debt, but overtime the benefits are disseminated evenly over households due to general equilibrium effects. The principal reduction dampens the fall in house prices and lower interest rates. The effects of these prices vary across households. They provide larger benefits to highly indebted households, high net worth households experience smaller gains from the policy.

"The Role of Firm Heterogeneity in Earnings Inequality"
Over the past three decades, individual earnings inequality has risen alongside increases in the concentration of firm employment and revenue in the U.S. This paper studies the factors underlying these trends and their macroeconomic impacts. I extend a canonical uninsurable earnings risks model with heterogeneous firms and labor market search friction as in Lucas and Prescott (1974). The model successfully replicates the earnings distribution, individual and firm factors in earnings variance, and the firm size distribution. Using this quantitatively disciplined model, a counterfactual exercise is designed to decompose the factors affecting the rise in earnings inequality. I show that the individual

component in wages explains most of the rise in earnings inequality. Surprisingly, changes in the firm productivity distribution and worker allocation across firms do not contribute to the rise in earnings inequality but mitigate it.

"Generalized Endogenous Grid Method for Models with a Default Option" with Youngsoo Jang
We develop an endogenous grid method for models with a default option in which price schedules are endogenously determined in equilibrium and depend on individuals' states. We obtain computational efficiency and accuracy benefits by combining Fella's (2014) identification for non-concave regions with our own algorithm that numerically searches for risky borrowing limits. These two procedures identify the region of solution sets for which Carroll's (2006) endogenous grid method is applicable. To demonstrate the method, we solve the Nakajima and Rios-Rull's (2014) model. In terms of computation time, this method is four to five times faster than the conventional grid search method. Moreover, various types of accuracy tests indicate that our method yields more accurate results than pure grid search method.

Conference and Seminar Presentations
2019	Computing in Economics and Finance, Ottawa
	(Finalist, Graduate Student Paper Contest)
2018	Young Economist Symposium, NYU
2018	Society for Economics Dynamics Annual Meeting, Mexico City
2018	Midwest Macroeconomics Meetings, Madison

Research Experience and Other Employment
2008-2014	Bank of Korea, Economist

Honors, Scholarships, and Fellowships
2019	Ohio State, Jim Kennedy Fellowship
2018	Ohio State, Alumni Grants for Graduate Research and Scholarship
2018	Board of Governors, Dissertation Fellowship
2018,2019	Ohio State, JMCB Travel Grant
2014-2016	Bank of Korea, Overseas Traineeship

Teaching Experience
Spring 2019	Principles of Macroeconomics, Ohio State, Instructor
Fall 2018	Intermediate Macroeconomics
Spring 2018	Financial Economics I
2016-2017	Principles of Macroeconomics, Ohio State, TA

References
Professor Aubhik Khan
Department of Economics
The Ohio State University
khan.247@osu.edu

Professor Julia K. Thomas
Department of Economics
The Ohio State University
thomas.2108@osu.edu

Professor Kyle Dempsey
Department of Economics
The Ohio State University
Dempsey.164@osu.edu