

JAERIM CHOI

Curriculum Vitae

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- EDUCATION** Ph.D., Economics, University of California, Davis, June 2018 (expected)
- Dissertation: "Two-Sided Matching in International Matching Markets"
 - Committee: Robert C. Feenstra (Chair), Alan M. Taylor, Deborah Swenson, Ina Simonovska
- B.A., Economics and Applied Statistics, Yonsei University, 2006
- FIELDS** International Trade, Labor Economics, Applied Econometrics
- AFFILIATION** Economist, Bank of Korea, 2006-2012
(Military Service, October 2006-October 2008)
- JOB MARKET PAPER PUBLICATION** "Offshoring, Matching, and Income Inequality: Theory and Empirics"
- PUBLICATION** "Weak-instrument Robust Inference for Two-sample Instrumental Variables Regression" (with Jiaying Gu and Shu Shen) Forthcoming in the *Journal of Applied Econometrics*
- WORKING PAPERS**
1. "Two-Sided Heterogeneity, Endogenous Bargaining, and International Matching Markets"
 2. "Immigration, Matching, and Inequality" (with Jihyun Park)
- WORK IN PROGRESS**
1. "Stata Companion Package: Weak-instrument Robust Inference for Two-sample Instrumental Variables Regression" (with Shu Shen)
 2. "Global Value Chain under Imperfect Capital Markets"
 3. "A Dynamic Model of Firm Exporting Regime" (with C.-Y. Cynthia Lin Lawell and Mingzhi Xu)
 4. "Made in China: Labor Market Effects of China Syndrome in Korea under Global Value Chain" (with Mingzhi Xu)
- PUBLICATIONS (ARTICLES IN KOREAN)**
1. "Impact of Exchange Rate Volatility on Exports," *Monthly Bulletin*, Bank of Korea, October 2010, 24-60, with Yongjin Park
 2. "The Influence of Changes in Asset Prices on the Current Account," *Monthly Bulletin*, Bank of Korea, June 2010, 27-71, with Wonkee Lee.
- Awarded for the best article in 2010 in the *Monthly Bulletin*.
 3. "Impact of Exchange-Rate Fluctuations on Trade in Goods and Services," *Monthly Bulletin*, Bank of Korea, September 2009, 23-65, with Youngil Choi
- RESEARCH EXPERIENCE**
- 2016-2017: Research Assistant to Prof. Deborah Swenson
2015: Research Assistant to Prof. Shu Shen

**TEACHING
EXPERIENCE**

2013-2016: Teaching Assistant at UC Davis

1. Undergraduate:
Principles of Microeconomics, Intermediate Micro Theory, Intermediate Macro Theory, Money, Banks and Financial Institutions, International Microeconomics ($\times 3$), and International Economic Relations
2. Graduate:
Microeconomic Theory II, Econometric Methods, Cross Section Econometrics, and Topics in Cross Section Econometrics

**HONORS AND
AWARDS**

2017-2018: Provost's Dissertation Year Fellowship, UC Davis
2017: Graduate Student Travel Award, UC Davis
2016: Dissertation Improvement Funds, ISS, UC Davis
2015: Summer Travel and Research Funds, ISS, UC Davis
2013-2015: Nonresident Tuition Fellowship, UC Davis
2005: Highest Honors, Yonsei University
2005: Kyungbang Foundation Scholarship
2003-2004: Scholarship for Academic Excellence, Yonsei University

**SEMINARS AND
CONFERENCES**

2018: West Coast Trade Workshop (UC Irvine)
2017: European Winter Meeting of the Econometric Society (Barcelona)
2017: Sonoma State University
2017: Midwest International Trade Conference (Kentucky)
2016: European Winter Meeting of the Econometric Society (Edinburgh)
2016: Midwest International Trade Conference (Purdue)
2016: Statistical Methodology in the Social Science (UC Davis)
2016: Midwest Econometrics Group (UIUC)
2016: All California Labor Economics Conference (Poster)
2016: Western Economic Association International Conference (Portland)

**REFEREE
SERVICE**

The B.E. Journal of Theoretical Economics

REFERENCES

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Dissertation Abstract

Offshoring, Matching, and Income Inequality: Theory and Empirics (Job Market Paper)

This paper develops a matching framework of offshoring in which offshoring is defined as a cross-country many-to-one matching between workers and managers with complementary production technology. We embed the matching framework into two countries and two tasks with a continuum of skills to study the distributional effects of offshoring. Offshoring affects the matching mechanism, thereby (A) increasing total production in the world; (B) and what is more, raising total earnings in each respective country without creating conflicts of interest between two countries; (C) but it changes within-country inequality through differential distributional impacts between-task and within-task in each country. Combining data from the U.S. Bureau of Economic Analysis, the U.S. Bureau of Labor Statistics, and the U.S. American Community Survey from 2002 to 2011, we provide empirical evidence that exposure to outward offshoring increases the salaries of managers who have a college degree or more by 1.6 percent, decreases the salaries of managers who have less than college by 1.3 percent, and reduces the wages of workers by 0.9 percent. Exposure to inward offshoring reduces the salaries of managers by 0.7 percent and increases the wages of workers by 0.4 percent. Offshoring explains about 12 to 21 percent of the widening income inequality in the U.S. Furthermore, the model provides a theoretical answer to why U.S. multinationals are shifting most of their production activities to countries such as Brazil, China, Mexico, and India, whose skill distributions have intermediate skill overlaps with the U.S., and not to countries that have little skill overlaps or high skill overlaps. Our empirical results predict that the accumulation of more educational attainment in China will drive U.S. multinationals to reshore production tasks from China back to the U.S.

Two-Sided Heterogeneity, Endogenous Bargaining, and International Matching Markets

This paper develops a multi-country model of international two-sided one-to-one matching between heterogeneous workers and heterogeneous entrepreneurs to analyze distributional impacts of globalization. Under mild assumptions, a pairwise stable equilibrium exists and is unique. I demonstrate that the sharing rule of each two-person bargaining problem is endogenously determined in each matching market that is linked to an interdependent network structure of a world economy, which breaks away from competitive marginal productivity theories of factor returns. Using this new theoretical framework, I derive several monotone comparative statics predictions, notably characterized by network effects (spillover effects), that shed some lights on consequences of various aspects of globalization.

Immigration, Matching, and Inequality (with Jihyun Park)

What are the distributional impacts of immigration on native workers? To answer this question, we develop a model of worker-establishment matching with a log-supermodular production function and study the effects of low-skilled immigration on native workers where immigration is defined as a matching between immigrant workers and establishments. Immigration will increase the relative supply of workers, intensifying competition among workers within an establishment, and thereby reducing wages paid to native workers (matching ratio channel). However, native workers are now pushed up to be paired with establishment with higher productivity, which leads to an increase in wages for native workers (matching quality channel). The model predicts that inequality among native workers widens as more skilled native workers benefit more from this re-matching. Using Census and IPUMS American Community Survey over the period 1980-2010, we test the model's predictions by exploiting the variation of stock of immigration across commuting zone-year. We demonstrate that the immigration increases inequality among native workers in the local labor markets as predicted by the model. Next, to test the matching quality channel, we decompose worker's wage into components related to observable worker characteristics, establishment heterogeneity, other unobservable fixed effects, and residual variation. Using the estimated establishment heterogeneity as a proxy for native worker's matching counterparts, we find that immigration induces native workers to match with a more productive establishment.