Preston Mui
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RESEARCH AND TEACHING FIELDS:
    Primary: Macroeconomics, Secondary: Labor Economics

DISSERTATION TITLE: Essays in Employment
    Expected Date of Completion: May 2022
    Principal Advisor: Professor Benjamin Schoefer
    Other References: Professors Jon Steinsson and Yuriy Gorodnichenko

PRE-DOCTORAL STUDIES: Georgetown University, B.A. (2013 Economics, Mathematics)

WORKING PAPERS:

Labor Market Monopsony in the New Keynesian Model: Theory and Evidence **(Job Market Paper)**

Abstract: I assess the role of labor market monopsony—finitely-elastic firm-specific labor supply—in the context of a New Keynesian model. Previous work has theorized that this feature is a source of real rigidity, permitting New Keynesian models to feature flatter Phillips curves, and thus smaller (and more realistic) responses of inflation to demand shocks. First, I modify a basic New Keynesian model to include firm-specific labor and calibrate the labor supply elasticities to micro-empirical estimates. Consistent with this mechanism serving as a source of real rigidity, firm-specific labor substantially reduces the slope of the Phillips curve relative to the perfectly competitive labor market benchmark. However, this depends strongly on the elasticity chosen, and requires distinguishing the firm-specific and aggregate labor supply elasticities, which previous work often fails to do. Second, I provide a cross-sectional empirical test for this mechanism. I estimate the firm-specific labor supply elasticity for each NAICS 3-digit industry in the Survey of Income and Program Participation using a dynamic monopsony model. I then estimate industry responses to monetary policy shocks. Contrary to the New Keynesian model, I find no evidence that industry differences in firm-specific labor supply elasticities lead to different industry price responses to monetary policy shocks. My results do not support the theory that firm-specific labor is a source of real rigidity.

Reservation Raises: The Aggregate Labor Supply Curve at the Extensive Margin
    With Benjamin Schoefer. Revise and Resubmit at *The Review of Economic Studies*.

    Abstract: We measure extensive-margin labor supply (employment) preferences in two representative surveys of the U.S. and German populations. We elicit reservation raises: the percent wage change that renders a given individual indifferent between employment and nonemployment. It is equal to her reservation wage divided by her actual, or potential, wage. The reservation raise distribution is the nonparametric aggregate labor supply curve. Locally, the curve exhibits large short-run elasticities above 3, consistent with business cycle evidence. For larger upward shifts, arc elasticities shrink towards 0.5, consistent with quasi-experimental evidence from tax holidays. Existing models fail to match this nonconstant, asymmetric curve.

PUBLICATIONS:

Unemployment Effects of Stay-at-Home Orders: Evidence from High Frequency Claims Data
    With Chaewon Baek, Todd Messer and Peter McCrory. Forthcoming at *The Review of Economics and Statistics*.

Abstract: We use the high-frequency, decentralized implementation of Stay-at-Home orders in the U.S. to disentangle the labor market effects of SAH orders from the general economic disruption wrought by the COVID-19 pandemic. We find that each week of SAH exposure increased a state's weekly initial unemployment insurance (UI) claims by 1.9% of its employment level relative to other states. A back-of-the-envelope calculation implies that, of the 17 million UI claims between March 14 and April 4, only 4 million were attributable to SAH orders. We present a currency union model to provide conditions for mapping this estimate to aggregate employment losses.

OTHER WRITING:

Inflation Expectations: Three Stories in Search of Evidence. Employ America (2021)

Around the World in 8,379 Foreign Entities. With Friederike Niepmann. Liberty Street Economics (2015)

The Declining U.S. Reliance on Foreign Investors. With Tom Klitgaard. Liberty Street Economics (2014)

Demographic Trends and Growth in Japan and the United States. With Tom Klitgaard. Liberty Street Economics (2014)

PROFESSIONAL EXPERIENCE:

RESEARCH:

Research Assistant, Department of Economics, U.C. Berkeley (2015-2016)

Research Analyst, Federal Reserve Bank of New York, Research Division (2013 - 2015)

Summer Research Analyst, Federal Reserve Bank of New York, Research Division (Summer 2012)

Research Assistant, Environmental Protection Agency, National Center for Environmental Economics (2011-2012)

TEACHING:

UC-Berkeley Economics Department:
- Econ-101b (Honors Macroeconomic Theory, Prof. Benjamin Schoefer), Spring 2021
- Head Graduate Student Instructor, Fall 2018 - Summer 2020
- Econ-202b (Graduate Macroeconomic Theory, Prof. Benjamin Schoefer), Spring 2018
- Econ-375 (Pedagogy Course, Prof. Martha Olney), Fall 2017
- Econ-002 (Introductory Economics, Profs. Christina Romer and David Romer), Spring 2017
- Econ-100b (Macroeconomic Theory, Prof. Ray Hawkins), Fall 2016

Georgetown University Economics Department
- Econ-103 (Honors Microeconomics, Profs. Susan Vroman and Marius Schwartz), 2012-2013
- Econ-001 (Intro. Microeconomics, Profs. James Albrecht and Arik Levinson), 2011 – 2012

PRESENTATIONS: ifo Conference on Macroeconomics and Survey Data (2020), Society for Economic Dynamics Meeting (2019), West Coast Search and Matching Conference (2019)

REFEREE SERVICE: Journal of Public Economics, Scandinavian Journal of Economics, Review of Economic Studies, Journal of Monetary Economics

FELLOWSHIPS AND AWARDS:

2017   Eliot J. Swan Prize, UC-Berkeley Economics

2016   Graduate Dean's Summer Research Grant, UC-Berkeley

2016   Graduate Research Fellow, Clausen Center for International Business and Policy

CITIZENSHIP: United States