

Sanghwa Moon

October 2025

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Education

Ph.D. in Economics, The Ohio State University, USA, 2026 (expected)

Committee: Gabriel Mihalache (Advisor), Kyle Dempsey, Pok-Sang Lam

M.A. in Economics, The Ohio State University, USA, 2022.

M.A. in Economics, Sungkyunkwan University, South Korea, 2021.

B.A. in Economics, Sungkyunkwan University, South Korea, 2020

Research Interests

International Macroeconomics, International Finance, Sovereign Debt

Research

Job Market Paper

"Official Lending and Self-fulfilling Debt Crises"

Abstract: This paper studies how the framework of official lending influences sovereign debt crises. Official lending by international financial institutions is typically cheap, short-maturity, and counter-cyclical. I build a quantitative sovereign default model in which a government borrows from private long-term bond markets and from official short-term loans. The government may face two types of debt crises: *fundamental crises*, triggered by sharp contractions in output, or *self-fulfilling crises* due to creditors' coordination failures. Official lending affects incentives through three channels: a liquidity effect that reduces self-fulfilling crises by providing emergency funding; an insurance effect that raises consumption during defaults; and a risk-taking effect, as lower spreads induce greater borrowing and increase the probability of fundamental crises. Calibrated to Mexico, the model shows that unconditional access to official lending delivers liquidity and insurance benefits but also increases exposure to fundamental crises, generating ambiguous welfare effects. In contrast, conditional official lending such as access restricted to self-fulfilling crises or contingent on a fiscal rule that prevents debt expansion unambiguously improves welfare. The results highlight that the effectiveness of official lending depends critically on conditionality, not merely on access, rationalizing the widespread use of policy conditionality in official lending frameworks.

Work in Progress

"Self-Fulfilling Debt Crises with Long-Term Debt: A Quantitative Analysis"

Abstract: This paper studies the quantitative relevance of self-fulfilling crises when sovereign debt has a realistic long-term maturity structure. While much of the existing literature finds that such crises require near one-year maturities or implausibly high debt levels to become quantitatively meaningful, this work systematically explores the full parameter space of a benchmark sovereign default model to identify when crisis zones emerge and how large they are under empirically relevant maturities. Calibrated to match observed debt duration and output dynamics in the European peripheries, the paper measures how frequently the economy enters the multiplicity region, rather than simply establishing that it exists. A key result is that the presence of a minimum subsistence level of consumption plays a critical role in determining whether self-fulfilling crises are quantitatively large and frequent.

"Asset Prices, Financial Accelerator, and Macroeconomic Fluctuations"

Abstract: This paper investigates the aggregate implications of collateralized borrowing constraints in the presence of both productivity and financial shocks. I develop a dynamic stochastic general equilibrium (DSGE) model in which firms' borrowing capacity depends on the market value of assets, as in Jermann and Quadrini (2012), but augmented with adjustment costs that allow asset prices to respond endogenously. The model features two types of shocks: productivity shocks, which may be amplified through fluctuations in asset prices (the financial accelerator channel), and financial shocks, which directly affect the tightness of borrowing constraints. Quantitative analysis calibrated to the US data shows that the amplification effect of productivity shocks on macroeconomic fluctuations through asset prices is limited, due to the muted endogenous response of asset prices. In contrast, financial shocks generate direct and substantial effects on firm financing and macroeconomic fluctuations. These results are consistent with earlier findings that question the quantitative relevance of the financial accelerator channel in business cycle models.

Pre-doctoral works

"Flattening Phillips Curve in Korea: The Role of Median Inflation" with Young Se Kim, *Korea and the World Economy*, 2024, Vol.25, No.3, 113-131. [[link](#)]

Abstract: This paper examines the flattening of the Phillips curve in Korea and investigates the factors underlying the weak relationship between inflation and aggregate real activity. Using a standard expectations-augmented Phillips curve framework, the empirical analysis provides robust evidence of a flattening Phillips curve across various measures of inflation and real activity. However, when median inflation is used as the measure, rather than traditional core inflation measures that exclude specific items, the evidence of flattening becomes notably weaker. Median inflation filters out the transitory effects of supply shocks on headline inflation across sectors, which traditional core inflation measures fail to do. These findings suggest that the Phillips curve relationship may still hold in Korea.

Presentations

- 2026 Asia Meeting of the Econometric Society (NYU Abu Dhabi, UAE)*
- 2025 Midwest Macro Meeting (FRB of Cleveland, US)*, Southern Economic Association 95th Annual Meeting (Tampa, US)*, 20th Economics Graduate Student Conference (Washington University in St. Louis, US), KIF-KAEA Conference (Virginia, US), SWET Quantitative Macroeconomics (Hokkaido University, Japan), Midwest Macro Meeting (FRB of Kansas City, US), Ohio State University Macro Workshop

- 2024** Midwest Economics Association Annual Conference (Chicago, US), Journal of International Economics Summer School (Oxford, UK), Midwest Macro Meeting (Purdue University, US), Ohio State University Macro Workshop
- 2023** Ohio State University Macro Workshop

Fellowships and Awards

- 2025** Research Assitant for Prof. Gabriel Mihalache, The Ohio State University
- 2025** Departmental Graduate Associate Teaching Awards, The Ohio State University
- 2022-** Graduate Teaching Associateships, The Ohio State University
- 2021-2022** University Fellowship, The Ohio State University
- 2020** Department of Economics Alumni Scholarship, Sungkyunkwan University
- 2020-2021** Brain Korea 21 Scholarship (Nat'l Research Foundation of Korea), Sungkyunkwan University
- 2020-2021** Graduate Scholarship, Sungkyunkwan University
- 2013-2020** Full Scholarship (Samsung Foundation), Sungkyunkwan University

Teaching

Teaching Assistant

- 2024** Principles of Macroeconomics, The Ohio State University (Eval: 4.6/5.0) [\[link\]](#)
- 2023** Principles of Macroeconomics, The Ohio State University (Eval: 4.5/5.0) [\[link\]](#)

Grader

- 2025** Financial Aspects of International Trade, The Ohio State University, Prof. Gabriel Mihalache
- 2025** Intermediate Macroeconomic Theory, The Ohio State University, Prof. Pok-Sang Lam
- 2024-2025** Survey of Macroeconomics (Master), The Ohio State University, Prof. Pok-Sang Lam
- 2023** Intermediate Macroeconomic Theory (calculus), The Ohio State University, Prof. Kyle Dempsey
- 2023** Government and Business, The Ohio State University, Dr. Ethan Doetsch
- 2022** Intermediate Microeconomic Theory, The Ohio State University, Dr. Jafar Olimov
- 2020-2021** Game Theory and Applications, Sungkyunkwan University, Prof. Kyung Hwan Baik
- 2020** Mathematical Economics, Sungkyunkwan University, Prof. Kyung Hwan Baik

Skills

Language: English (fluent), Korean (native), Mandarin (intermediate), Japanese (basic)

Computer: MATLAB, Fortran, STATA, Julia, L^AT_EX

Personal Information

Born on February 9, 1995.

Citizenship: Republic of Korea (Visa status: F-1)

Sergeant, Republic of Korea Army (2015-2017)

References

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