

Bo Hu

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Phone:	+31 (0) 684724200	Gender:	Male
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Research/teaching fields

Search and Matching, Corporate Finance, Industrial Organization, Applied Microeconomics

Research focus

Applications of *search and matching* and *dynamic contracting* in executive labor markets and two-sided markets

Education

Vrije Universiteit Amsterdam & Tinbergen Institute, the Netherlands, 2014 - 2019

Ph.D. in Economics, expected defense in 2019

Erasmus University Rotterdam & Tinbergen Institute, the Netherlands, 2012 - 2013

M. Phil. in Econometrics (cum laude)

Shanghai University of Finance and Economics, China, 2009 - 2012

Doctoral Program in Economics

Southwestern University of Finance and Economics, China, 2005 - 2009

B.A. in Economics (cum laude)

References

Professor **Makoto Watanabe** (Advisor)

Vrije Universiteit Amsterdam

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Professor **Pieter Gautier** (Advisor)

Vrije Universiteit Amsterdam

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Professor **Jose Luis Moraga**

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Working papers

Why do larger firms pay executives more for performance? Performance-based versus labor market incentives

Job Market Paper

Market-making middlemen, with Pieter Gautier and Makoto Watanabe

Revise and Resubmit, *RAND Journal of Economics*

Work in progress

Competition and advance purchase behavior: The effect of platform transaction fees,
with Marc Möller and Makoto Watanabe

Teaching assistant for

Directed Labor Search, PhD course, Tinbergen Institute, 2016
Game Theory, PhD course, Tinbergen Institute, 2012
Industrial Organizations, Bachelor course, Vrije Universiteit, 2015 - 2017
Microeconomics, Bachelor course, Vrije Universiteit, 2013 - 2016
Macroeconomics, Bachelor course, Shanghai U. of Fin & Econ, 2010 - 2011
Economic Growth, Bachelor course, Shanghai U. of Fin & Econ, 2011
Economic Data Analysis, Bachelor course, Shanghai U. of Fin & Econ, 2011

Presentations

2018: Search and Matching Annual Conference, Cambridge; Belgian Financial Research Forum, Brussels; Rotterdam Executive Conference, Rotterdam; Queen Mary PhD Workshop, London; 26th Finance Forum, Santander

2017: Economics Department Seminar, University of Bristol

2016: Search and Matching Annual Conference, Amsterdam; EEA-ESEM, Geneva

2015: Search and Matching workshop, Bristol; Search and Matching Annual Conference, Aix-en-Provence; EARIE, Munich

2014: Symposium in Honor of Jean Tirole, Den Haag

Honours and awards

Tinbergen scholarship, 2012 - 2014
People's Scholarship, Shanghai U. of Fin & Econ, 2011
Outstanding Graduates, Southwestern U. of Fin & Econ, 2009
National Scholarship (1st prize), Southwestern U. of Fin & Econ, 2006-2008
Hang Seng Bank Scholarship, Southwestern U. of Fin & Econ and Hang Seng Bank, 2007

Refereeing

Journal of Health Economics

Organizational experiences

Search and Matching Annual Conference, Amsterdam, 2016

Languages

Chinese (native), English (fluent)

Programming

Julia, Python, R, Matlab, Mathematica, Stata, L^AT_EX

Addendum: Paper abstracts

Why Do Larger Firms Pay Executives More For Performance? Performance-based versus labor market incentives

This paper evaluates the impact of the managerial labor market on executives' contract incentives theoretically and empirically. I construct an equilibrium search model that features a hierarchical managerial job ladder towards larger firms. The competition for managerial skills between heterogeneous firms generates labor market incentives that substitute for the performance-based incentives. I show that labor market incentives decrease in firm size; as a result, larger firms require more performance-based incentives. The model explains why executives in larger firms are rewarded with higher performance-based incentives. In addition, its predictions are consistent with a wide range of empirical evidence. The model is estimated on the data of executives in S&P firms. Estimates suggest that for executives in small firms around 50% of the total incentives come from the labor market and 10% for executives in medium-sized firms.

Marketmaking Middlemen

This paper develops a model in which market structure is determined endogenously by the choice of intermediation mode. There are two representative modes of intermediation that are widely used in real-life markets: one is a middleman mode where an intermediary holds inventories which he stocks from sellers for the purpose of reselling to buyers; the other is a market-making mode where an intermediary offers a platform for buyers and sellers to trade with each other. We show that a *marketmaking middleman*, who adopts the mixture of these two intermediation modes, can emerge in a directed search equilibrium and discuss the implications of this on the market structure. Our main insight survives with competing intermediaries.