

# Bo Hu

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Phone:	+31 (0) 684724200	Gender:	Male
Homepage:	<a href="http://bohuecon.github.io">bohuecon.github.io</a>	Marital Status:	Married

## 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 - 2014**

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)  
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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<sup>A</sup>T<sub>E</sub>X

## 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.