

DEOKJAE JEONG

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EDUCATION

Ph.D. in Economics, University of California, Davis	2024 (<i>Expected</i>)
M.S. in Economics, University of Wisconsin, Madison	2018
M.A. in Economics, Sung Kyun Kwan University	2012 (<i>coursework complete</i>)
B.A. in Law, Sung Kyun Kwan University	2010

RESEARCH INTERESTS

Applied Microeconomics, Labor Economics

WORKING PAPERS

Automation, Human Task Innovation, and Labor Share: Unveiling the Role of Elasticity of Substitution (Job Market Paper)

Abstract: This paper investigates the elements contributing to the decline in labor share, with a specific focus on the roles of ‘automation’ and ‘innovation in human tasks.’ We construct a general equilibrium model that separately incorporates both robot and non-robot capital to derive an econometric specification. Based on regression results, we estimate the elasticity of substitution between labor and non-robot capital to be less than one, while the elasticity of substitution between tasks is greater than, but close to, one. Together with these estimates, our regression results yield three major findings. First, we identify two distinct channels through which robots affect labor share: automation and the decrease in the price of robots. Both channels are found to negatively impact labor share. Our general equilibrium model predicts that the effect of declining robot prices will intensify as robots become more prevalent. Second, we are the first to empirically evaluate the impact of human task innovation on labor share by constructing a novel index for new human tasks. Our accounting analysis suggests that the positive influence of human task innovation outweighs the adverse effects of automation. Lastly, by utilizing estimates of the elasticity of substitution between labor and non-robot capital, as well as between tasks, we elucidate the mechanisms through which factor prices affect the labor share. Specifically, we find that both the negative effect of

automation and the positive effect of human task innovation are amplified through the aggregated task price channel.

How the reduction of Temporary Foreign Workers led to a rise in vacancy rates in South Korea

Abstract: This paper investigates the impact of a reduction in low-skilled Temporary Foreign Workers (TFWs) on job vacancies in South Korea's manufacturing sectors. The study harnesses a quasi-experimental event —the commencement of a COVID-19 quarantine policy in January 2020— as the foundation to pinpoint the causal link between the dwindling numbers of TFWs and the subsequent increase in job vacancies. This stringent quarantine measure acted as the ‘shift’ component in my shift-share instrument, while the pre-pandemic distribution of TFWs across various manufacturing sectors functioned as the ‘share’ component. Utilizing Difference-in-Difference regressions with continuous intensities, the research underscores that sectors with a heavy dependence on TFWs witnessed a significant spike in vacancies a year following the COVID-19 outbreak, and this surge lasted for two years. Consequently, firms grappled with the challenge of securing full-time staff, given that most of these foreign workers (E9 visa holders) had been primarily engaged in full-time roles. This highlights that domestic workers are not readily available to fill vacant positions, especially as full-time workers. The paper also incorporates Structural Vector Autoregression and Local Projection methodologies to substantiate these observations.

WORK IN PROGRESS

Market Concentration and Labor Share: An EU Critique of the Superstar Firms Theory

PRESENTATIONS (*: Scheduled)

Korea-America Economic Association Job Market Conference	2023
Applied Microeconomics Student Talk, UC Davis	2022, 2023
Annual All-California Labor Economics Conference (poster)	2023
Advisees' Meeting Presentations, UC Davis	2021, 2022, 2023

TEACHING EXPERIENCE

UC DAVIS, Teaching Assistant	2018 ~ Present
ECN 1A	Introductory Microeconomics
ECN 1B	Introductory Macroeconomics
ECN 100A	Intermediate Microeconomics
ECN 101B	Intermediate Macroeconomics
ECN 110B	World Economic History
ECN 131	Public Finance

RESEARCH EXPERIENCE

Korea Institute of Public Finance	2014 ~ 2015
Center for Performance Evaluation and Management	
<i>Research Associate</i>	
Korea Development Institute	2012 ~ 2014
Department of Human Resource Development Policy	
<i>Research Associate</i>	

FELLOWSHIPS

Research Award, UC Davis, Department of Economics	2023
Non-Resident Tuition Fellowship, UC Davis	2019 ~ 2022
SimSan Scholarship, SimSan Foundation	2010 ~ 2012
Scholarship for Academic Excellence, Sung Kyun Kwan University	2009

SKILLS

Stata, SAS, R, MATLAB, Python
 English (fluent), Korean (native), Japanese (advanced)

REFERENCES

Giovanni Peri	Oscar Jorda	Athanasios Geromichalos
Professor	Professor	Professor
University of California, Davis	University of California, Davis	University of California, Davis
Department of Economics	Department of Economics	Department of Economics
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