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<b>Research Interests</b>	Empirical Industrial Organization, Applied Microeconomics	
<b>Education</b>	<b>Pennsylvania State University</b> , PA, United States Ph.D. candidate, <b>Economics</b> , <i>Expected</i> : May 2023 <b>Korea University</b> , Seoul, Korea Master of Arts, <b>Economics</b> , February 2017 Bachelor of Arts, <b>Economics</b> , February 2015 <i>Magna Cum Laude</i>	
<b>Working Papers</b>	1. <b>Hong, Joonkyo</b> , “Sunk Costs and Entrant’s Choice of Capacity” ( <i>Job Market Paper</i> ) 2. <b>Hong, Joonkyo</b> , “The Differential Effect of Exporting on Input Productivities” 3. <b>Hong, Joonkyo</b> , “Trade Dynamics of Colombian Chemical Plants: Productivity and Trade Cost Complementarity”	
<b>Work-In-Progress</b>	1. <b>Hong, Joonkyo</b> and Park, Minsung, “Online Banking and the Dynamics of Branch Consolidation”	
<b>Publications</b>	1. Park, Jaesung, <b>Hong, Joonkyo</b> , and Na, Sumi, “Decomposition of Business Cycle Shocks and the Default Rate of SMEs in Korea,” <i>Korean Journal of Futures and Options</i> , Volume 27, Number 4, November 2019 (in Korean) 2. Park, Jaesung and <b>Hong, Joonkyo</b> , “Encouraging Employment, Technology Innovation and Profitability of SMEs,” <i>Korean Association of Applied Economics</i> , Volume 22, Number 2, June 2020 (in Korean) 3. Park, Jaesung and <b>Hong, Joonkyo</b> , “Operating Multiple of Credit Guarantees as a Facilitator of Aggressive Credit Supply,” <i>Journal of SME Finance</i> , Volume 41, Number 1, April 2021 (in Korean)	
<b>Research Experience</b>	<b>Research Assistant</b> Department of Economics, Pennsylvania State University, PA for Mark Roberts <b>Visiting Research Assistant</b> Department of Economics, University of Washington, WA for Chang-Jin Kim <b>Research Assistant</b> Department of Economics, Korea University for Sangsoo Park <b>Research Assistant</b> Department of Economics, Korea University for Chang-Jin Kim	Summer 2021, 2022   Spring 2016   Spring, Fall 2015   2013-2015

<b>Teaching Experience</b>	Teaching Assistant, <b>Pennsylvania State University</b>	
	Microeconomic Analysis, for Jadrian Wooten	Fall 2017 - Fall 2018
	International Macroeconomics, for Stephen Yeaple	Spring 2019
	Economics of the Corporation, for Peter Newberry	Fall 2019
	Industrial Organization, for Mark McLeod	Spring 2020
	Economics of the Corporation, for Daniel Grodzicki	Fall 2020, Spring 2021
	Economics of the Corporation, for Conor Ryan	Fall 2021, Spring 2022
	Teaching Assistant, <b>Korea University</b>	
	Introductory Macroeconomics	Fall 2016
<b>Grants</b>	Student Awards — Pennsylvania State University, Department of Economics	
	Graduate Assistantship	Fall 2017 - Present
	Student Awards — Korea University, Graduate School	
	Teaching Assistantship	Fall 2015
	Brain Korea 21 Scholarship	Spring 2015, Fall 2015
	Research Assistantship	Spring 2015
	Brain Korea 21 Scholarship for Abroad Studies	Spring 2016
	SSK scholarship	Spring 2016
<b>Presentations</b>	Student Awards — Korea University, Department of Economics	
	Mirae-Asset Foundation Scholarship	Spring 2014, Fall 2014
	Economic Graduate Student Conference	Oct 2022
	Washington University at St. Louis	
	Applied Micro Seminar	Oct 2022
	Pennsylvania State University	
	Penn State IO Brownbag	Fall 2019 – Spring 2022
<b>Work Experience</b>	Pennsylvania State University	
	<i>Sergeant</i> , Military Service in Republic of Korea Army	May 2011 – Mar 2013
	Served as an Korean Augmented Troops to U.S. Army (KATUSA) of 19th Expeditionary Sustainment Command	
<b>Skills</b>	<i>Research Intern</i> , Korean Small Business Institute	Jan 2017 – May 2017
	Computer:	
	Matlab, GAUSS, STATA, Python, R, ArcGIS	
<b>References</b>	Languages:	
	Korean(Native), English(Fluent)	
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### “Sunk Costs and Entrant’s Choice of Capacity” (Job Market Paper)

This paper studies how sunk entry costs influence firm entry and the entrant’s scale of operation in oligopolistic industries. When the scale is infeasible to adjust after entry, sunk costs alter both the number of competitors and the industry’s scale distribution. Exploiting a land-use and construction regulatory reform, I empirically assess these channels in competition between South Korean cinema chains. I specify and estimate a dynamic game of chain-theater opening by cinema chains. The model features that chains decide the scale of the new theater at entry and bear sunk costs varying with their scale choice. I find that (i) the chain’s screen-level profits decline in both the same-chain and rival-chain screens; (ii) the sunk costs for larger-scale theaters decrease more than for smaller-scale theaters following the reform. A counterfactual analysis establishes that the industry has more larger-scale theaters by 27.8% than it would if sunk costs remained unchanged. Despite the expansion of larger-scale theaters, the industry suffers a 5.6% loss of net profits due to intensified competition and increased expenses on fixed operating costs. In contrast, a model without theater scale choice spuriously predicts a 27.3% add to the industry’s net profits as it obscures the shift in the distribution toward a larger scale.

### “The Differential Effect of Exporting on Input Productivities”

Many empirical studies document that entering the export market raises a firm’s productivity. I study whether entering the export market results in differential increases in input productivities at the firm-level (non-neutral change). I develop a model that separately identifies firm-level skilled and unskilled labor-augmenting productivities, and material input prices. Applying the model to data on the Colombian apparel manufacturers, I find that exporting raises the skilled labor-augmenting productivity 7.2-percentage point more than the unskilled counterpart. A counterfactual simulation in which exporting raises the two productivities equally, the mean-differences in skilled-to-unskilled employee ratios between exporters and non-exporters are 50 percent smaller than the data counterparts. The result suggests that non-neutral productivity gain from trade is central in shaping the input allocation differences between exporters and non-exporters.

### “Trade Dynamics of Colombian Chemical Plants: Productivity and Trade Cost Complementarity”

This paper estimates a dynamic model of the firm’s joint export and import decision process. In the model, participating in trade improves within-period profits and future productivity. In addition, doing one trade activity facilitates the other by reducing the associated fixed/sunk costs. Employing a Bayesian MCMC estimator, I fit the model to Colombian chemical plant panel data from 1981 to 1985. Two findings stand out: (i) importing increases future productivity significantly while exporting does not. (ii) importing facilitates exporting by lowering the sunk costs of entering the foreign market while exporting facilitates importing by decreasing the fixed costs of continuing import. A counterfactual simulation shows that subsidizing the fixed costs of importing is the most effective among trade cost subsidy schemes in improving the average productivity and firm value.