

Jiong Wu

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EDUCATION

University of Virginia

Ph.D. Candidate in Economics

Charlottesville, VA, USA

Expected in May 2025

Committee: Kerem Coşar

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James Harrigan

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John McLaren

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The Chinese University of Hong Kong

M.Phil. in Economics

Hong Kong

2017-2019

Shanghai University of Economics and Finance

B.A. in Mathematical Economics

Shanghai, China

2013-2017

FIELDS OF INTERESTS

International Trade, Labor Economics, Urban Economics, Macroeconomics

JOB MARKET PAPER

Labor Market Responses to Trade: Job Creation and Destruction Across Space and Sectors

- *Abstract:* In an era dominated by globalization and international trade, the impact of trade shocks on employment has become a pressing concern for policymakers and the public. This paper examines the impact of the China trade shock on U.S. local labor markets, focusing on unemployment and its key drivers: job finding and job separation rates. Using a shift-share design, I find that regions exposed to the shock experience significant and persistent unemployment increases due to lower job finding and higher job separation rates. To explain these results, I develop a multi-sector, multi-region labor matching model with endogenous job creation and destruction. The calibrated model confirms that trade shocks raise unemployment, decrease employment, and increase welfare inequality across most U.S. states. The China trade shock raises the U.S. unemployment rate by 0.18 percentage point and accounts for 87% of the decline in the manufacturing employment share of working-age population from 2000 to 2007, while boosting overall productivity by 0.16% and improving welfare by 0.04%. The model shows that the Hosios condition alone cannot achieve constrained efficiency due to migration frictions and nontradable goods. A redistributive corporate tax policy subsidizing manufacturing could improve welfare, reduce unemployment, and restore pre-shock manufacturing employment levels.

WORKING PAPERS

Frictional Labor Market, Spatial Sorting and Disparities

- *Abstract:* This paper explores how frictional labor markets contribute to spatial labor sorting and, consequently, to disparities in productivity, wages, and unemployment across regions. The model incorporates frictional labor matching with two worker types, two locations, and free labor mobility. It predicts that skilled workers tend to sort into areas with higher productivity, higher wages, and lower unemployment rates. Empirical evidence aligns with these theoretical predictions, suggesting that frictional labor markets play a crucial role in shaping spatial economic disparities.

Trade, Uncertainty and Endogenous Credit Constraint

with Yan Chen, and Qi Zhang

- *Abstract:* This paper investigates whether trade can alleviate or exacerbate capital misallocation caused by credit constraints. Using a difference-in-differences approach with firm-level balance sheet data, we find that U.S. firms facing greater reductions in trade policy uncertainty experienced decreased financial constraints. To explore this mechanism, we construct a multi-sector, two-country model featuring endogenous credit constraints and heterogeneous firms. The model demonstrates that trade induces a selection effect, pushing less productive—and more financially constrained—firms out of the market. Simultaneously, more productive firms expand with lower marginal costs due to cheaper imports, easing their credit constraints. As a result, trade reduces the distortions caused by credit constraints, leading to substantial welfare gains.

WORKS IN PROGRESS

A Multi-country Real Business Cycle Model of International Trade and Finance

with Tianyang Xie, and Chenyanzi Yu

- We build a multi-country real business cycle model of international trade and finance. The model provides new insights into the trade-comovement puzzle, revealing how trade flows and international asset holdings interact to influence business cycle synchronization across countries.

An Economic Geography Model of Unemployment

- This paper studies explores the conditions under which spatial equilibria in search and labor matching models exist.

FELLOWSHIPS AND AWARDS

Steer Endowment Fellowship, UVA	<i>2023 - 2024</i>
Postgraduate Studentship, CUHK	<i>2017 - 2019</i>
First prize, China's Social-economic Development Analysis Tournament, Harvard	<i>2016</i>

CONFERENCE AND SEMINAR PRESENTATIONS

Southern Economic Association	<i>November 2024</i>
Bankard International Trade Workshop, UVA	<i>September 2024</i>
Midwest International Trade Conference	<i>May 2024</i>
Economics Research Colloquium, UVA	<i>May 2024</i>

RESEARCH AND PROFESSIONAL EXPERIENCE

Research Assistant	<i>2021</i>
Supervised by Kerem Coşar (UVA), funded by Flexport	
Research Assistant	<i>2021</i>
Supervised by John McLaren (UVA)	
Research Assistant	<i>2019</i>
Supervised by Jie Bai (HKS), funded by International Growth Center	
Data Analyst	<i>2016 - 2017</i>
China Construction Bank (Shanghai)	

TEACHING EXPERIENCE

Teaching Assistant, UVA

2020 - Present

Principles of Economics: Macroeconomics (ECON 2020)

Intermediate Macroeconomics (ECON 3020)

Money and Banking (ECON 3030)

Introduction to Econometrics (ECON 3720)

International Trade (ECON 4210)

International Finance (ECON 4220)

Economics of the Public Sector (ECON 4310)

Introduction to Mathematical Economics (ECON 5090)

SKILLS

Programming: R, Matlab, Stata, Python, Fortran, Julia, MS Office

Languages: English (fluent), Chinese (native)