

Linda Audrey Wu

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Citizenship: American and Taiwanese

Education

PhD in Economics	University College London	2020 -
Visiting student	University of California - Berkeley	2023 - 2024
MRes in Economics (with Distinction)	University College London	2019 - 2020
MA in Economics	Columbia University	2016 - 2017
BA in Economics (minor in Sociology)	National Taiwan University	2012 - 2016
Visiting student	King's College London	2014

Field of Interest

Primary: Public Economics, Labor Economics. Secondary: Development Economics

References

Attila Lindner
UCL
a.lindner@ucl.ac.uk

Anne Brockmeyer
World Bank, UCL
abrockmeyer@worldbank.org

Danny Yagan
UC Berkeley
yagan@berkeley.edu

Working Papers

[JMP] Behavioral Responses to Estate Taxation: Evidence from Taiwan (with Tzu-Ting Yang)

Abstract: We quantify behavioral responses to estate taxation by exploiting two large reforms in Taiwan. Using comprehensive administrative data and a difference-in-difference design, we show that the response of reported estates to the reforms is quick, persistent, and exhibits an asymmetry. We estimate elasticities of reported estates with respect to the net-of-tax rate of 2.76 (s.e. 0.39) for the tax increase and 1.31 (s.e. 0.16) for the tax cut. The asymmetry arises because liquid items such as financial assets, deposit savings, and charitable exemptions respond significantly more to a tax increase. The quick adjustments in reported estates, combined with a null effect on labor supply behavior among both donors and heirs, suggest the responses are likely driven by tax avoidance. The observed asymmetry can be explained by tax avoidance with sunk costs: taxpayers increase avoidance during tax increases but are less responsive to tax cuts due to previously incurred avoidance costs. We set up a tax avoidance model and derive sufficient statistics, characterized by our estimated elasticities, to assess the welfare impact. Our analysis shows that using the tax cut elasticity, which is attenuated due to sunk costs, would underestimate the welfare cost and overestimate the welfare effect of a tax increase by 61%.

Family Businesses, Nepotism, and Productivity (with Hsien-Ming Lien)

Abstract: This paper provides the first systematic evidence on kinship networks within and across businesses by linking comprehensive data on family ties, shareholder structures, balance sheets, firm-to-firm transactions, and employer-employee records for the universe of firms in Taiwan. The unique dataset enables us to document the prevalence of family ties in both owner-employee relationships within firms and owner-owner connections across firms. We find that 45% of firms employ a family member, and 32% have an owner with a family member who owns another firm. When these owner-owner family ties exist, there is a 25% likelihood that the two firms will trade, with transaction values higher than those between non-family trading partners. These patterns highlight the embedded role of family ties in business networks and raise questions about their impact on firm performance. Using a stacked event study design, we examine the effects of ownership transfers on firm performance, distinguishing between transfers to children or spouses, more distant family members, and unrelated individuals. Our findings show that while firms transferred within family experienced little change in sales, firms transferred to unrelated individuals experienced a sales increase

by over 10%. The improvement is attributed to a restructuring in their workforce and supply chain, as they hire more new employees and establish more new relationships with suppliers and buyers.

Selected Work in Progress

Formal Employment Dynamics and Development (with Anne Brockmeyer, François Gerard, Gabriel Ulyssea, Coauthors)

Job Creation and Wage Choice of Japanese Multinational Enterprises in Vietnam (with Jonas Hjort, Yukiko Saito, Yasuka Tateishi)

The Efficiency-Equity Tradeoff of Corporate and Dividend Income Taxes

The Gender of Inherited Wealth

Fellowship and Award

Stone Scholar, Stone Centre at UCL	2022 -
PhD Fellow, Academia Sinica	2022 -
PhD Scholarship, Ministry of Education in Taiwan	2023
Research Bursary, Stone Centre at UCL	2022
Amazing Teaching Support, Roll of Honour of Student Choice's Awards UCL	2021
Research Grant, National Science and Technology Council in Taiwan	2015
Oversea Exchange Student Scholarship, National Taiwan University	2014

Seminars and Conferences (*scheduled)

Institute for Research on Labor and Employment; UC Berkeley (Public finance seminar); PSE-CEPR Policy Forum; IIPF; 6th World Bank/IFS/ODI Conference; IFS (HKLM seminar); UCL (CReAM seminar)	2024
Stockholm University (Brown Bag); UCL (PhD seminar); CESifo Public Economics; Stone Center Summer Institute; NTA	2023
RES Easter Training School; AASLE	2022

Research Employment

Part-time research assistant (to Attila Lindner), UCL	2023 -
Part-time research assistant (to Anne Brockmeyer), IFS	2023 -
Part-time research assistant (to Silvia Dal Bianco), UCL	2021 - 2023
Full-time research professional (to Luigi Zingales), Chicago Booth	2017 - 2019
Part-time research assistant (to Alex Eble), Columbia University	2016 - 2017

Teaching Experience

Lead teaching assistant, Economics Skills Lab, UCL	2021 - 2023
Teaching assistant, Economics Independent Research, UCL	2021 - 2023
Teaching assistant, Applied Economics, UCL	2020 - 2023

Referee Service

Review of Economic Studies; Journal of the European Economic Association; UCL Journal of Economics