SEHO KIM
University of Maryland
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EDUCATION
Ph.D.   Economics, University of Maryland at College Park, 2018-Present
M.A.   Economics, Seoul National University, South Korea, 2018
B.S.   Mathematical Sciences, *magna cum laude*,
         Korea Advanced Institute of Science and Technology (KAIST), South Korea, 2016

FIELDS OF SPECIALIZATION
Primary: Macroeconomics, Macro-Finance, Firm Dynamics
Secondary: Corporate Finance, Computational Economics

WORK IN PROGRESS
"The Welfare Consequences of a Bankruptcy Reform - Evidence from the 2020 Small Business Reorganization Act"

Abstract: Chapter 11 reorganization in the U.S. Bankruptcy Code was designed to rehabilitate efficient but financially distressed businesses. Using novel bankruptcy data, I show that direct bankruptcy costs are higher under Chapter 11 than Chapter 7. However, I find no evidence of relatively higher Chapter 11 costs for small businesses, as measured by their liabilities. Using a general equilibrium model with bankruptcy decisions of firms, I evaluate a recent business bankruptcy reform, called the Small Business Reorganization Act, which reduces the bankruptcy costs in Chapter 11 for small businesses. I find that the bankruptcy reform has small but positive impact on aggregate welfare, while output and productivity decrease. A lower Chapter 11 cost helps distressed firms to reorganize, but also prompts firms that would not declare bankruptcy absent the reform to reorganize. Despite this unintended consequence, welfare of the economy improves.

"Pecuniary Externalities with Asset-Based and Earnings-Based Credit Constraints" with Thomas Drechsel

Abstract: Prices in financial constraints give rise to pecuniary externalities: policy can improve market outcomes in which households and firms do not internalize the effects of their decisions on prices. This paper examines the pecuniary externalities that arise from different types of credit constraints. While collateral constraints can result in 'over-borrowing,' credit constraints that are earnings-based – which are common for US corporations – lead to 'under-borrowing.' The reason is that higher input prices decrease earnings and thus tighten earnings-based constraints. In particular, borrowing decisions are suboptimal when firms do not internalize that they impact equilibrium wages. Across a range of empirically motivated settings, optimal macroprudential policy is shown to depend critically on the specific financial constraints.

"Misallocation and Productivity Dispersion: Implications from an Industry with Locally Segmented Markets"

Abstract: This paper studies the relationship between misallocation of production inputs and productivity dispersion in an industry with locally segmented markets. In a standard model with CES demand, constant returns to scale technology, and a single market, dispersion in revenue productivity is a sufficient statistic for measuring misallocation. I show that revenue productivity dispersion is not a sign

of misallocation if it comes from firms operating in different markets. Any reallocation across firms operating in different markets increases a consumer's utility in one market but decreases the utility of consumers living in other markets. Therefore, any reallocation of resources across markets represents a movement along a Pareto efficient frontier. I quantify the extent to which revenue productivity dispersion across markets can over-estimate misallocation using Korean ready-mixed concrete industry data. I show that dispersion in revenue productivity substantially over-estimates the size of misallocation.

PRE-DOCTORAL PUBLICATION

"The Effects of Third-Party Transfers in Sequential Anchored Bargaining," *International Journal of Game Theory*, 48(1), 143-155, 2019, with Suchan Chae

TEACHING EXPERIENCE

Instructor, Principles of Macroeconomics (undergraduate), University of Maryland, Summer 2020 and Winter 2021
Teaching Assistant, Money and Banking (undergraduate), University of Maryland, Fall 2019
Teaching Assistant, Intermediate Macroeconomic Theory and Policy (undergraduate), University of Maryland, Fall 2018 and Spring 2019
Teaching Assistant, Studies in Economic Statistics (graduate), Seoul National University, Spring 2017

RESEARCH AND PROFESSIONAL WORK EXPERIENCE

Short-term Consultant, External Review Panel of Doing Business, World Bank, Summer 2021
Research Assistant, Prof. Thomas Drechsel, University of Maryland, Fall 2020-Present
Research Assistant, Prof. Şebnem Kalemli-Özcan, University of Maryland, Summer 2019
Research Assistant, Prof. Chul-In Lee, Seoul National University, Fall 2017 and Spring 2018
Intern, NPO IT Support Center, South Korea, Winter 2015
Research Associate, Arthur D. Little, South Korea, Summer 2014
Summer Intern, Cheil Worldwide, South Korea, Summer 2013

GRANT AND AWARDS

Second Prize, Third Year Paper Award, University of Maryland, Summer 2021
Graduate School Summer Research Fellowship (declined), University of Maryland, Summer 2021
First-Year Research Fellowship, Department of Economics, University of Maryland, Summer 2019
Graduate Assistantship, Department of Economics, University of Maryland, 2018-Present
Full Scholarship for a Meritorious Student, Seoul National University Alumni Association, Fall 2016 and Spring 2017
Brain Korea 21 Research Scholarship, Seoul National University, Spring 2016-Spring 2017
National Science and Engineering Scholarship, Korea Student Aid Foundation, 2009-2015

LANGUAGES

English (fluent), Korean (native)

COMPUTATIONAL SKILLS

MATLAB, Julia, Python, STATA, SAS, Eviews

Updated: July, 2021