ZONGBO HUANG

http://www.princeton.edu/~zongboh
zongboh@princeton.edu

PRINCETON UNIVERSITY

Placement Director: Mark Aguiar	MAGUIAR@PRINCETON.EDU	(609) 258-4019
Graduate Administrator: Laura Hedden	LHEDDEN@PRINCETON.EDU	(609) 258-4006

Contact Information

Zongbo Huang
Department of Economics and Bendheim Center for Finance
Princeton University, Princeton, NJ 08544
Mobile Phone: (215) 350-3078

Undergraduate Studies

B.A., Economics, Fudan University, 2009

Graduate Studies

Princeton University, 2011 to present
Ph.D. Candidate in Economics
Thesis Title: "Essays in Banking and Corporate Finance"
Expected Completion Date: June 2017

M.A., Economics, Princeton University, 2013
M.A., Economic Theory and Econometrics, Toulouse School of Economics, 2010

References

Professor Markus Brunnermeier (Advisor)	Professor Wei Xiong	Professor Stephen Morris
Department of Economics	Department of Economics	Department of Economics
Princeton University	Princeton University	Princeton University
(609)258-4050	(609)258-0282	(609)258-4032
markus@princeton.edu	wxiong@princeton.edu	smorris@princeton.edu

Teaching and Research Fields

Primary Fields	Corporate Finance, Banking, Financial Economics
Secondary Fields	Macroeconomics, Monetary Economics

Research Experience:

2013 –2014	Research Assistant for Professor Markus Brunnermeier
2013	Research Assistant for Professor Wei Xiong
2012	Research Assistant for Professor Benjamin Moll

Teaching Experience

Spring 2016	Econ 313, Undergraduate Applied Econometrics, Princeton University Teaching assistant for Professor Mark Watson and Michal Kolesar

Spring 2015, 2014	WWS 512B, Intermediate Macroeconomics for MPA students, Princeton University Teaching assistant for Professor Richard Rogerson
Spring 2013	Econ 502, Graduate Microeconomic Theory II, Princeton University Teaching assistant for Professor Stephen Morris and Jose Scheinkman

Honors, Scholarships, and Fellowships

2012 – 2016	Princeton University Graduate Fellowship
2011 – 2012	Richard S. Simons' 51 Graduate Fellowship, Princeton University
2009 – 2010	Eiffel Scholarship, The French Ministry of Foreign and European affairs

Job Market Paper

"Managing bank run risk: The Perils of Discretion"

Abstract: This article studies the role of banks' discretion in managing panics in a dynamic model of credit line run. In downturns banks tighten liquidity by cutting credit lines. Anticipating this, borrowers run to draw down credit lines in the first place, which imposes further pressure on banks. Therefore, liquidity rationing and credit line runs form a feedback loop that amplifies bank distress. I fit the model to the U.S. commercial bank data and find that the feedback effects contribute to more than a half of the liquidity contraction in downturns. From a normative perspective, a Pigouvian tax on bank cutting credit lines is effective in mitigating runs.

Research Papers

"Aggregate Effects of Collateral Constraints: Evidence from a Structural Estimation" (with Thomas Chaney, David Sraer, and David Thesmar)

Abstract: This paper provides a quantitative exploration of the aggregate effects of an important source of financing friction, collateral constraints. We develop a general equilibrium model of firm dynamics with collateral constraints and adjustment costs, which we structurally estimate using administrative data on French firms. The model is estimated using the joint firm-level dynamics of capital and labor observed following exogenous shocks to the value of collateral. We find that welfare increases by 5.4% when collateral constraints are removed. 25% of these welfare gains come from an improved allocation of inputs across heterogeneous firms; 75% are derived from an aggregate increase in capital. Interestingly, removing collateral constraints has little effect on aggregate employment, as financially constrained firms tend to substitute labor for capital.

"Dynamic Optimal Taxation with Endogenous Skill Premia" (with Jason Ravit and Michael Sockin)

Abstract: We embed imperfect substitutability across skill levels into a continuous-time dynamic contracting model of taxation and uncover a novel intertemporal wage compression channel in optimal labor taxation that can rationalize redistributive programs such as the Earned Income Tax Credit. In contrast to the wage compression channel found in static models, this dynamic channel lowers the optimal tax rate at the bottom because it allows the planner to reduce the cost of providing insurance to unskilled workers while deterring skilled agents from misreporting. The optimal labor tax is progressive in the short-run and our channel is quantitatively significant in comparison to other channels highlighted in the literature.

Research Papers in Progress

"Haircuts and Credit Risk over the Cycle" (old version available upon request)

Abstract: Rapid tightening of haircuts exacerbated deleveraging pressures during the 07-09 crisis. I develop a dynamic general equilibrium model with heterogeneous beliefs and collateral constraints to explore the cyclicality of haircuts and default risks jointly. On one hand, Haircuts of the defaultable debt are countercyclical as a result of scarce collaterals and financial pledgeability. On the other hand, default risks accumulate in the background until materialize when a crisis erupts.