Lizi Yu

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Education

2017-Present **Ph.D. in Economics**, *Department of Economics*, Columbia University, NY.
- GPA: 3.99/4.0

2015-2017 **M.A. in Economics**, *Department of Economics*, Duke University, NC.

2011-2015 **B.A. in Finance**, *Kuang Yaming Honors School*, Nanjing University, China.

Research Interests

Production Networks, Macroeconomics, Finance, Econometrics

Working Papers

2022 ***Strategic Alliance and Endogenous Production Network*** (Job Market Paper).

This paper examines how the U.S. firm's involvement in strategic alliance interacts with its endogenous choice of production networks. The results reveal that the alliance firm is more likely to actively create and break supply chains, especially with customers or suppliers from the industries within the alliance-related industrial scope. Moreover, such interactions are stronger when the updated customers and suppliers have a closer proximity to the alliance-related industries. To rationalize these stylized findings, I developed a model featured with the firm's endogenous searching of supplier candidates and endogenous input sourcing strategy. Additionally, strategic alliance is introduced as a mitigation of the friction in the candidate searching. The model implies that the strategic alliance could encourage the firm's searching of supplier candidates, and boost the adding and dropping of production networks simultaneously.

2022 ***R&D, Risk Premia, and Credit Spreads*** (with Z. Liu).

Empirical evidence suggests that the R&D-intensive firms tend to show higher expected equity returns, but lower leverage, default rates, and credit spreads than the R&D-nonintensive ones. To provide a unified explanation for this cross-sectional pattern, we propose a production-based DSGE model featured with innovation-driven endogenous growth, and long-run and disaster risk. The model generates sizable heterogeneity in the quantities of interest between the R&D and Non-R&D sector and reconciles the coexistence of high equity returns and low leverage of the R&D sector. Additionally, our model fits the aggregate macroeconomic moments reasonably well.

Working in Progress

2021 ***Measuring Industry-Specific Uncertainty: A Bayesian Approach***.

In this paper, I estimate the common and industry-specific uncertainty measures from U.S. quarterly firms' accounting data with a Bayesian dynamic factor model, where the industry-specific uncertainty governs the fluctuations within one industry and the common uncertainty drives the fluctuations of the aggregate economy. Based upon the estimation, these measures are further linked to the stock returns and generate implications regarding asset pricing.

Awards

2022-2023 Dissertation Fellowship, *Columbia University*.

2017-2022 Dean's Fellowship, *Columbia University*.

Teaching Experience

2021-22 **Corporate Finance** (Graduate-Level), *Columbia University*.

2018, 20-21 **Financial Economics** (Undergraduate-Level), *Columbia University*.

2019 **Microeconomics** (Economics M.A. Course), *Columbia University*.

2019 **Principle of Economics** (Undergraduate-Level), *Columbia University*.

2017 **Econometrics** (Economics M.A. Course), *Duke University*.

Skills

MATLAB, STATA, SAS, R, DYNARE

Reference

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