Yupeng Wang

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March 30, 2018

ERBC Organizing Committee
National Bureau of Economic Research
1050 Massachusetts Avenue
Cambridge, MA 02138

Dear ERBC Organizing Committee,

I am writing to re-apply for the NBER Entrepreneurship Research Boot Camp this summer, as encouraged by the admission committee last year.

I have attached two documents in this package to demonstrate my growing interest in entrepreneurial finance research: (1) Curriculum Vitae, and (2) Essay. In addition, my reference letter is written by Professor Antoinette Schoar from MIT Sloan School of Management.

Please let me know if you need any additional information. I will respond immediately. Thank you so much for your help. I am looking forward to your admission decision.

Sincerely,
Yupeng Wang

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Education

Ph.D. Student in Finance, Massachusetts Institute of Technology, 2016–current.

M.A. Finance (with honors), Tsinghua University, 2016.

B.A. Information Management & Information Systems, Tsinghua University, 2013.

Research Interests

Financial Contracting, Entrepreneurial Finance, Technology and Productivity, Household Finance.

Publications

"Pay Me Now (and Later): Pension Benefit Manipulation before Plan Freezes and Executive Retirement," *Journal of Financial Economics*, 2018, Volume 127, pages 152–173, with Irina Stefanescu, Kangzhen Xie, and Jun Yang.

Abstract: This study finds evidence that large U.S. firms modify top executives' compensation before pension-related events. Top executives receive one-time increases in pensionable earnings through higher annual bonuses one year before a plan freeze and one year before retirement. Firms also boost pension payouts by lowering plan discount rates when top executives are eligible to retire with lump-sum benefit distributions. Increases in executive pensions do not appear to be an attempt to improve managerial effort or retention, and are more likely to occur at firms with poor corporate governance. These findings lend support to the managerial rent-seeking view of executive compensation.

Honors & Awards

Best Paper Award in Corporate Finance, EFMA, 2016.

Best Paper Award, Financial Institutions, Regulation and Corporate Governance Conference, 2016.

Presidential Graduate Fellowship Award, MIT, 2016.

Best Master Thesis Award, Tsinghua University, 2016.

Summer Research Boot Camp on Entrepreneurial Finance and Financial Intermediation, PBC School of Finance, Tsinghua University, 2016.

National Scholarship, Ministry of Education, China, 2014.

Relevant Positions

Research Assistant to Professor Antoinette Schoar, MIT, 2017–current.

Research Assistant to Professor Nittai Bergman, MIT, 2016–2017.

Post Baccalaureate Research Fellow in the Finance Department, Northwestern Kellogg, 2015–2016.

PhD Courses

Economics

- Microeconomics I, II, III, IV
- Macroeconomics I, II, III, IV
- Statistical Methods in Economics
- Econometrics I
- Nonlinear Econometric Analysis
- Labor Economics I, II
- Contract Theory
- Organizational Economics I, II, III*

Finance

- Introduction to Financial Economics
- Advanced Corporate Finance
- Empirical Asset Pricing
- Continuous-Time Finance*
- Current Topics in Finance*

(* *indicates current courses*)

Essay

I am currently a second-year doctoral student in finance. While taking classes, I actively read research papers and develop my research interest in entrepreneurial economics and entrepreneurial finance.

I am interested in disruptive innovations at start-up firms and the way these innovations change the established industry norms and transform a market. For example, Airbnb is built upon Internet technologies, and has disruptively changed the tourist accommodation industry, i.e. the hotel industry. It may also have influenced the real estate and mortgage markets. Recently, homeowners are allowed to use rental income earned through Airbnb to refinance their mortgages, aiming for cheaper and larger loans. This is a brand new way to cash out housing equity. If homeowners select into Airbnb hosts based on their private information about future income, how much risk does this add to the still-recovering mortgage markets?

On the individual side, Airbnb may have also changed the employment patterns. An individual who get fired can now earn income from renting out their rooms, which disincentivizes her to exert effort to search for a new job, just like the way unemployment insurance works. As a result, for example, following a mass layoff, people who are homeowners and have access to Airbnb stay longer in unemployment and get better jobs. Similarly, people who were to start a small business now have a less costly way to earn money. In other words, there could be crowd-out effects of Airbnb on self-employment or small business creation.

To answer these questions and identify causal effect of Airbnb, we could use a difference-in-differences design where we exploit regional differences in regulation on Airbnb or Airbnb penetration rate at zipcode level. I am in the process of collecting data on regional Airbnb listings, and local regulations on Airbnb. Hopefully, by the time of the summer camp, I could get some preliminary results.

Given my interest in entrepreneurial finance, I am applying to the NBER Entrepreneurship Research Boot Camp. By attending lectures and interacting with professors and doctoral students, I wish to learn more about the literature and to be able to relate my ideas to the literature. Moreover, I hope to develop more concrete research ideas in this field and turn them into real future research projects.

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ANTOINETTE SCHOAR
Michael M. Koerner ('49)
Professor of Entrepreneurial Finance



Letter of Recommendation for Olivia Kim

March 2018

Dear Madam/Sir,

It is with great pleasure that I am writing a letter of recommendation for Yupeng Wang as she applies for the NBER Entrepreneurship boot camp, 2018. She had applied last year but the panel decided at the time that it was a year too early for her to take part in the boot camp. Yupeng is a Phd student in the finance program at Sloan and has been my RA for the last two years. She has been working with me on topics related to household finance and financial innovation. For example, recently she was my RA on a project about bitcoin trading and arbitrage. In the process she became very interested in the digital economy; and the impact of entrepreneurship and innovation through online platforms. She is an outstanding student, bright, very hard working and broadly interested in the intersection of finance and innovation. This year I am writing letter for two students who are applying to the bootcamp (Olivia Kim is the other one). They are both excellent and it is not possible for me to rank them. I would strongly encourage you to take both of them if at all possible.

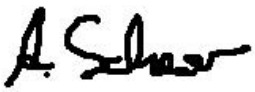
Yupeng is currently exploring a project with data from Air B&B she is interested in disruptive innovations via online platforms and the impact on entry and competition. She will be able to match the Air B&B data to local housing market data to see, how people use the platform to build small businesses that offer real estate or hotel services and advertise on the Air B&B platform. The idea is to understand how these entrants affect competition in local hotel and rental markets, the distribution of rents, and the type of risks that these entrants take on. The project is still early stage but has a lot of potential. And Yupeng would benefit greatly from the exposure to a wider entrepreneurship literature via the bootcamp.

In short, Yupeng is an outstanding student, with great upside. I believe that she has a bright future as a researcher and I expect her to work on topics of entrepreneurial finance and household finance for her other Phd chapters as well. Last but not least she is also a very friendly and helpful peer who is always

willing to chat with others about research and has a lot of enthusiasm and energy for her work. I believe she will be a real asset to the boot camp. Therefore, I hope you will seriously consider her application.

Please feel free to contact me if you need further information.

Best regards,



Antoinette Schoar