Information

Name: Chun Zhao
Contact Information: +1 650-213-7079; chunzhao@stanford.edu
School: Graduate School of Business, Stanford University
Program: PhD Student in Finance
Area of Interest: Entrepreneurial Finance, Political Economy, and Development
Year of Enty into the PhD Program: 2023
Expected Year of Completion: 2029
Letter Writer: Emanuele Colonnelli

Subject: Application for the NBER Innovation Research Boot Camp 2026

Dear Selection Committee,

I am writing to apply for the 2026 NBER Entrepreneurship Research Boot Camp. As a PhD student in Finance at Stanford GSB, my current research interests are entrepreneurial finance, political economy, and development. Attending this boot camp would allow me to deepen my understanding of the field, engage with leading researchers, and refine my methodological approach.

Attached are my CV and research statement. Professor Emanuele Colonnelli, will submit a letter of recommendation separately.

Thank you for your time and consideration. I look forward to the opportunity to contribute to and learn from this program.

Sincerely,
Chun Zhao

PhD Student in Finance
Stanford Graduate School of Business

CHUN ZHAO

+1 650-213-7079 | chunzhao@stanford.edu

EDUCATION

Graduate School of Business, Stanford University 2023 - Present
PhD Student in *Finance*

Tsinghua University 2018 - 2023
BA in *Economics & Finance* (Highest Honor), Minor in *Law*

University of California - Berkeley 2021
Visiting Student in Economics

Booth School of Business, University of Chicago 2021 - 2022
Visiting Student in Business

PUBLICATION

1. Does Fintech Improve Your Fund Investment? Analysis Based on Fund sales channels (with F. Gao, C. Zhong, T. Wang and Q. Wang) [forthcoming at **Journal of Financial Research** (in Chinese)]
   - Probably no. Overconfident retail investors tend to over-trade facing lower transaction fee.

WORKS IN PROGRESS

Startups in Africa
with Emanuele Colonnelli (Booth), Marcio Cruz (IFC), Mariana Pereira-Lopez (IFC) and Tommaso Porzio (Columbia)

- *Abstract*: This paper studies the demand for, and supply of, growth capital among high-potential startups in Africa using new microdata and a large-scale survey experiment implemented with the International Finance Corporation (IFC). We combine revealed-preference estimates from the experiment with firm-level financing and labor-market records to measure founder and workforce characteristics, investor origins, and international ties. Three findings emerge. First, entrepreneurs exhibit a strong preference for equity over debt and place limited weight on most standardized non-financial support. They do not intrinsically prefer foreign investors; instead, they value investor attributes tied to local expertise and relational embeddedness while resisting loss of control. Second, notwithstanding these preferences, African startup equity is overwhelmingly sourced from abroad and disproportionately allocated to founders with foreign education or work experience. Dyadic patterns linking investor origins to founders' prior cross-border ties, together with limited conditional performance differences, point to connection-based access and frictional matching—rather than expected returns alone—as central drivers of who gets funded. Third, leveraging plausibly exogenous shifts in foreign capital supply and a simple model with origin–destination capital wedges and matching frictions, we show that foreign and domestic equity are imperfect substitutes. As a result, a foreign-capital-dominant equilibrium can be catalytic yet exclusionary and fragile: it concentrates funding among internationally connected founders and heightens exposure to external shocks. Structural estimation and counterfactual analysis indicate that deepening local equity markets and reducing access frictions can materially expand startup formation and financed growth among locally rooted entrepreneurs.

Do Social Norms Substitute for Enforcement? Evidence from Public Officials' Home Purchases in Singapore
with Tomasz Piskorski (Columbia), Amit Seru (Stanford), Jian Zhang (HKU)

- *Abstract*: We study whether pro-integrity social norms can substitute for formal enforcement in deterring misconduct by public officials. Using universe-level housing transactions from Singapore, widely perceived as a low-corruption jurisdiction, we test for informed home purchases by civil servants around expansions of the Mass Rapid Transit (MRT) system. Relative to a matched uninformed control, civil servants disproportionately buy near planned but not yet announced stations, with effects concentrated 1-2 years before the announcement. These purchases generate private gains (benchmark-adjusted excess returns over shorter holding periods) and welfare-relevant transfers from uninformed sellers to informed buyers with similar incomes. The behavior is concentrated among mid-level officials, especially in agencies connected to rail planning. Following a penalty-increasing enforcement tightening, informed purchases, both by civil servants and their relatives, vanish. We develop a simple dynamic model in which norms are persistent yet fragile, and enforcement both directly deters misconduct and indirectly sustains norms. When signals of misconduct are noisy, tightening may result either from noise itself or from correct learning about the limited persistence of norms. Observed pre-tightening misconduct by civil servants and their relatives—and its post-tightening disappearance—are inconsistent with noise and consistent with learning about actual misconduct. Overall, our findings suggest that even in societies long regarded as having low levels of corruption and high ethical standards, continued reliance on formal enforcement mechanisms is essential to sustain a low-corruption equilibrium.

The Private-Equity Advantage of Private Credit
with Tony (Jipeng) Liu (Stanford GSB)

- *Abstract*: This paper studies how private credit (PC) interacts with private equity (PE) through PC arms owned by—or affiliated with—PE parents, and how these ties shape pricing and real outcomes. Using a comprehensive deal-level database consolidated to ultimate parents across debt and equity, we document that most PC managers are PE-affiliated and that their portfolios substantially overlap with related sponsors. Equity sponsors with PC arms are far more likely to lend to—and to lend more to—their portfolio firms, a pattern we term "dual holding." Our empirical strategy shows that dual holders charge a 30 bps premium that monotonically attenuates as outside options expand (lower lender concentration). At origination, dual-held firms look observably weaker yet are more likely to be VC-backed and face higher lender concentration; conditional on observables, they subsequently outperform comparable non-dual-held firms on value-creating exits. To rationalize these facts, we develop a simple model in which the PE arm privately observes an unverifiable signal and, when co-investing with the affiliated PC arm, can implement governance that raises success probability. Non-verifiability creates an information-rent component in the coholder's debt pricing alongside a monitoring-fee, which is positive only when outside options are scarce and is competed away as lender capacity deepens. Overall, the results indicate that private credit is tightly intertwined with PE, that organizational and network ties confer informational advantages, and that these advantages affect both prices and performance in lending and equity markets.

The Rise of Private Credit and Lending Competition with Banks
with Tony (Jipeng) Liu (Stanford GSB)

- *Abstract*: We study the rise of private credit (PC) lending and its competition with syndicated bank lending. Motivated by four stylized facts—(i) PC entry following negative shocks to bank credit supply, (ii) heterogeneity in product composition, (iii) segmentation by borrower type, and (iv) the reliance of PC funds on bank financing—we argue that PC and bank loans are imperfect substitutes. Building on these facts, we estimate a logit demand model for credit products. We find that borrowers exhibit stronger excess demand for PC loans conditional on observables and highly-levered borrowers indicate more inelastic demand elasticity. Demand-side factors alone account for roughly 40% of the variation in aggregate loan growth. To incorporate supply-side forces, we develop a structural model in which banks face differential regulatory frictions when lending directly to firms versus lending to PC funds. Our estimates indicate that banks encounter substantially larger frictions in direct corporate lending. Counterfactual analysis suggests that imposing equivalent frictions on bank lending to PC would reduce total credit provision by about 25%, with the largest impact on highly levered firms.

RESEARCH EXPERIENCE

Booth School of Business, University of Chicago 2021 - 2022
Research Assistant to Emanuele Colonnelli

Booth School of Business, University of Chicago 2021 - 2022
Research Assistant to Zhiguo He

Tsinghua University 2019 - 2021
Research Assistant to Feng Gao

SEMINARS, CONFERENCES, AND WORKSHOPS

(* Indicates presentation by co-author)

- **2025**: Stanford GSB Finance Brownbag, Stanford GSB*
- **2024**: NBER Summer Institute 2024 - Entrepreneurship*, Stanford GSB Finance Brownbag, Columbia Business School*, Harvard Business School*

PROFESSIONAL EXPERIENCE

Guolian Securities 2020
Summer Intern, Quantitative Researcher, High Frequency Trading Division *Beijing, China*

RESEARCH GRANTS

Future Scholar Program Research Grants, Tsinghua University 2021 - 2023
Tsinghua University - UChicago Joint Center for Economic and Finance 2022 - 2024

SKILLS AND INTERESTS

Software LaTeX, R, Python, STATA, Matlab, C, C++, SPSS
Languages Chinese (native), and English (fluent)
Interests Cooking; Sake; Film; Japanese Literature

Research Statement

Chun Zhao
Stanford Graduate School of Business

My research interests lie at the intersection of entrepreneurial finance, political economy, and development. I aim to integrate micro-level empirical data with structural models to examine how financial, political, and institutional frictions influence entrepreneurial outcomes in both developed and emerging markets.

One of my current projects, co-authored with Emanuele Colonnelli, Marcio Cruz, Mariana Pereira-Lopez, and Tommaso Porzio, combines a large-scale survey experiment, deal-level microdata, and labor-market records to identify and quantify key frictions facing high-growth startups in Africa. We find that what startups need most is equity paired with local knowledge, which challenges the traditional microfinance view that primarily emphasizes debt financing. This contrasts with the empirical pattern that startups in Africa are overwhelmingly funded by foreign capital, with funding disproportionately allocated to foreign-connected founders. We show that this pattern is not driven by founder quality, but instead by frictional matching. The key takeaway of this study is that deepening local equity markets is critical to strengthening Africa's startup ecosystem.

Along these lines, two papers co-authored with my cohort mate, Tony Liu, study private credit in the U.S., a rapidly growing area closely related to entrepreneurial finance. The first project examines the rise of private credit and its competition with banks, emphasizing imperfect substitution across credit products and regulatory frictions that shape supply. The second project studies how private equity and private credit interact through organizational and network ties. Together, these projects build a foundation for a broader agenda on how the organization of capital provision—and the regulatory environment intermediaries face—affects financing terms, firm growth, and the distribution of opportunities for entrepreneurs.

A second stream of my research focuses on political and developmental frictions that materially affect firms. In a paper with Tomasz Piskorski, Amit Seru, and Jian Zhang, we combine the first systematic evidence of informed home purchases by public officials in Singapore with a dynamic framework that illustrates the underlying mechanisms, and argue that even in societies long regarded as having low levels of corruption and high ethical standards, continued reliance on formal enforcement is essential to sustain a low-corruption equilibrium. In another ongoing project, we show that financial innovation in Meiji Japan facilitated institutional reforms and boosted business activity. Together, these projects offer implications for how institutional design can improve the social and business environment for entrepreneurship.

Looking forward, I plan to extend my research agenda by studying how political and developmental frictions shape entrepreneurial activity and by evaluating mechanisms that can relax these constraints. I am applying to the NBER Entrepreneurship Research Boot Camp because it is uniquely aligned with this agenda. The boot camp's emphasis on frontier work in entrepreneurial finance and firm dynamics matches my core questions and would sharpen both my framing and empirical design. Learning from leading scholars such as Jorge Guzman and David Robinson would be particularly valuable. In addition, the opportunity to engage with faculty and fellow researchers would provide feedback that can shape my approach to studying financial and political frictions in entrepreneurship. Participating in the NBER Summer Institute Innovation Policy meeting would also help me connect my work to broader policy implications, particularly regarding the role of government and institutional quality in fostering high-growth entrepreneurship. Finally, given my long-term interest in entrepreneurial finance, political economy, and development, the boot camp offers a unique setting to build collaborations with researchers who share similar interests.

THE UNIVERSITY OF CHICAGO
BOOTH SCHOOL OF BUSINESS
CHICAGO, ILLINOIS 60611

EMANUELE COLONNELLI

JOSEPH L. GIDWITZ PROFESSOR OF FINANCE AND ENTREPRENEURSHIP AT THE UNIVERSITY OF CHICAGO, BOOTH SCHOOL OF BUSINESS

EMANUELE.COLONNELLI@CHICAGOBOOTH.EDU

January 25th 2026

Dear Committee,

Recommendation for Chun Zhao

I am writing this letter of support for Chun, whom I have known for nearly 5 years as he is worked as a Research Assistant on various empirical research projects for me before the PhD. He's now a very committed coauthor of mine on my new paper on "Startups in Africa", where we provide a first look into VC activities in emerging markets, with a focus on Africa, using both a field experiment and new data we put together (think of it as an augmented version of PitchBook and LinkedIn that incorporates data from several local sources in emerging markets and new surveys we conducted across nearly 50 countries).

Chun would be a tremendous addition to the Bootcamp and has my highest possible recommendation. Having done the bootcamp myself in the past at the same time of my PhD career, I am sure it will benefit him massively and would help shape his path to become a young leader in the field. At Stanford, he's working with Amit Seru, Ilya Strabulaev, and Zhiguo He, who I know are very excited about Chun. I offered to write this letter as a former participant in the bootcamp, and the person who knows his research and interest in innovation and entrepreneurship the most at this early stage of his career.

Chun is currently at the top of his cohort of PhD students in Finance at Stanford GSB based on grades in both his first and his second year there. I am not surprised. Most importantly, he's developing a very strong focus on the intersection between entrepreneurship and innovation, and more specifically on the

role of regulation and institutions in the development of venture capital and private equity industries around the world. He's a strong empiricist, but obtaining a strong theory toolkit at Stanford that he knows will be a key complement for his job market paper and future work.

Overall, I have rarely met someone so humble yet determined to pursue a career in academia because he's truly passionate about research. I am confident many faculty members in the bootcamp as well as many other students will want to work with Chun after they meet him. Please do not hesitate to contact me if there is anything else I can help with.

Sincerely,



Emanuele Colonnelli