

Yujung Hwang

Address: Department of Economics
Yale University
New Haven, CT 06520-8268

Telephone: +1 (203) 435 2262

E-mail: yujung.hwang@yale.edu

Web page: <https://sites.google.com/view/yujunghwang/home>

Citizenship: South Korea, F-1 Visa

Fields of Concentration:

Primary Field : Labor Economics

Secondary Fields : Macroeconomics, Political Economy

Desired Teaching:

Labor Economics

Applied Econometrics

Family Economics

Development Economics

Comprehensive Examinations Completed:

2014 (Oral): Labor Economics (*with distinction*), Macroeconomics (*with distinction*)

2013 (Written): Microeconomics, Macroeconomics

Dissertation Title: *A General Equilibrium Analysis of Immigrants' Neighborhood Sorting and Social Integration*

Committee:

Professor Joseph Altonji (co-chair)

Professor Mark Rosenzweig (co-chair)

Professor Aureo de Paula

Expected Completion Date: May 2019

Degrees:

Ph.D., Economics, Yale University, 2019 (expected)

M.Phil., Economics, Yale University, 2014

M.A., Economics, Yale University, 2013

B.A., Economics, Yonsei University, 2012, Highest Honors, *Valedictorian*

B.S., Mathematics, Yonsei University, 2012

Visiting Student, University College London, March 2017, June 2017-August 2018

Visiting Student, Centre for Research & Analysis of Migration, University College London,
June 2016-September 2016, January 2017
Exchange Student, University of California, San Diego 2009-2010

Fellowships, Honors and Awards:

Walter G. Preston Jr. Fellowship, Yale University, 2017-2018
University Dissertation Fellowship, Yale University, 2017-2018
MacMillan International Dissertation Research Fellowship, Yale University, 2016-2017
(*Project Title: Dynamics of Preference and Social Geography, \$17500*)
Carl Arvid Anderson Prize Research Fellowship, Cowles Foundation, 2015-2016
Ryoichi Sasakawa Young Leaders Fellowship (\$2000 x 2), 2014-2015, 2016-2017
Akerlof-Yellen fellowship, Yale University, 2013-2014
Cowles Foundation Fellowship, 2012-2016
University Fellowship, Yale University, 2012-2017
Kwanjeong Educational Foundation Fellowship, 2012-2017
Yonsei Alumni President Award, 2012

Teaching Experience:

Teaching Assistant to Prof. Pinelopi Goldberg, Prof. Sharon Oster, Introductory
Microeconomics, Yale College, Fall 2018
Teaching Assistant to Prof. Joseph Altonji, Econometrics and Data Analysis II, Yale
College, Spring 2016
Head Teaching Assistant to Prof. Aleh Tsyvinski, Introductory Macroeconomics, Yale
College, Fall 2015
Teaching Assistant to Prof. Tae-Hwan Kim, Mathematics for Economics, Undergraduate,
Yonsei University, Spring 2011

Research and Work Experience:

Research Assistant to Prof. Joseph Altonji, Summer 2013
Research Assistant to Prof. Ilse Lindenlaub, Spring 2016

Working Papers:

“An Estimable General-Equilibrium Structural Model of Immigrants’ Neighborhood
Sorting and Social Integration” *Job Market Paper*

“Identification and Computation of a Dynamic Discrete Choice Model with Endogenous
Time-Varying Unobservable States using Proxies”

“A General Equivalence Result Concerning Economic and Cultural Assimilation”

Work In Progress:

“Neighborhood Effects on Intergenerational Cultural Transmission”

Seminar and Conference Presentations: LSE-Oxford Graduate Conference, May 2018; 13th
Meetings of Urban Economics Association, October 2018

Languages: Korean (native), English

Computer Skills : R/Rcpp (C++), Open MP, Matlab, Stata, ArcGIS

References:

Prof. Joseph Altonji
Yale University
Department of Economics
New Haven, CT
PO Box 06520-8264
Phone: +1 203-432-6285
joseph.altonji@yale.edu

Prof. Mark Rosenzweig
Yale University
Department of Economics
New Haven, CT
PO Box 06520-8264
Phone: +1 203-432-3588
mark.rosenzweig@yale.edu

Prof. Aureo de Paula
University College London
Department of Economics
30 Gordon Street, London,
UK, WC1H 0AX
Phone: +44(0)207 679 5854
a.paula@ucl.ac.uk

Dissertation Abstract

Chapter 1: An Estimable General-Equilibrium Structural Model of Immigrants' Neighborhood Sorting and Social Integration [Job Market Paper]

This chapter provides a general equilibrium framework for understanding immigrants' self-segregation into ethnic enclaves and their social integration. It estimates the model and uses it to evaluate counterfactual integration policies.

In the model, social integration is an index of how much natives like to interact with immigrants. It is the negative of the product of two factors. The first is *social distance*, the difference in cultural preferences between immigrants and natives. The second is *prejudice*---how much people dislike social distance.

Immigrants optimally choose their social distance from natives by comparing the psychic cost of changing their social distance to the future benefits of doing so. The benefits include material gains in the labor market and social utility from interacting with neighbors. Social interaction utility within neighborhoods depends on social distance from the average neighbors, and on own and neighbors' average prejudice. Prejudice evolves in response to the diversity people experience in their neighborhoods. In deciding whether to move to a different neighborhood, immigrants consider the social environment as well as housing costs and wages. They are forward looking, and consider the effects of natives' outmigration ("White Flight"), the decisions of other immigrants' to change in their social position, the path of prejudice, and the inflow of future immigrants. The social environment and housing rents in neighborhoods and skill prices in local labor markets are determined in equilibrium.

Identification and estimation of the model is challenging for several reasons. A key one is that prejudice and immigrants' social distance are unobserved, and they are outcomes of a large-scale dynamic game. The paper tackles the identification challenge by applying a new method, developed in Chapter 2, building on Arcidiacono and Miller (2011). The core idea is to exploit noisy proxies for prejudice and immigrants' cultural preferences in micro panel data, while correcting for missing data and measurement error. To meet the data requirements of the new method, which include proxies for cultural preference and prejudice, low-level neighborhood geocodes, and a sufficiently long panel with a large minority sample, I use the several UK data sets. They include the Millennium Cohort Study, administrative payroll tax records, Census data, and the BHPS/UKHLS panel.

I find that the social distance between immigrants and natives decreased between year 2001 and 2015. The most distant immigrants' share in the sample dropped from 28% to 19% and the intermediate immigrants' share dropped from 53% to 48%. The estimates indicate that diversity reduces prejudice, although they are imprecise. The high inflow of immigrants since 2000 has increased diversity in most neighborhoods, which abated prejudice. Using the structural model, I run two counterfactual experiments. I find that an immigrant entry policy that selects high-income immigrants does not improve social integration. In contrast, a residential mixing policy improves social integration by a small amount by inducing a decline in either prejudice or social distance. The difference stems from the fact that only the mixing policy increases interaction between natives and immigrants. General equilibrium feedback effects help explain why the policy effects are small.

Chapter 2: Identification and Computation of a Dynamic Discrete Choice Model with an Endogenous Time-Varying Unobservable State Using Proxy Variables

This paper studies identification and computation of a class of dynamic discrete choice models where the unobservable state variable evolves based on a hidden choice of agents. For example, an immigrant's effort to assimilate would influence her assimilation status, but both status and effort are unobservable to econometricians. I consider both stationary and non-stationary environments. First, I discuss how noisy measurements of the unobservable, such as attitude measures, help to identify the model. I compare the identification conditions with those of Hu and Shum (2012), who do not exploit such additional measurements of the unobservable state. Then I extend Arcidiacono and Miller's (2011) estimation methodology to allow the transition of the unobservable state variable to depend on the entire state space and to utilize noisy measurements. I account for the fact that measurements of the unobservable characteristics are often asked using a rotating module, which leads to a missing data problem. Simulations indicate that failing to account for this problem severely harms the performance of the estimator. However, an imputation method for the missing measurements, similar to the stochastic EM algorithm, restores the estimator's performance. Finally, I provide Monte Carlo results for an extension of Schelling's (1971) classic segregation model, including endogenous hidden type change. I show that the true structural parameters can be recovered using my estimation methodology for reasonable sample sizes and informative measurement variables. I compare the performance of the estimator under various circumstances, including when no measurements are available and when measurements are from a rotating module.

Chapter 3: A General Equivalence Result Concerning Economic and Cultural Assimilation

I provide a theoretical analysis of the relationship between cultural and economic assimilation. Using a dynamic model explaining the co-evolution of cultural and economic variables, I show that the completeness of economic model, often referred to as the "invertibility" condition, implies equivalence between perfect cultural and economic assimilation. I also show that under this equivalence condition, the absence of residential segregation implies perfect cultural assimilation, as has been heuristically presumed in the study of immigrant assimilation. The equivalence result between economic and cultural assimilation shows that one cannot expect cultural assimilation of immigrants, which is critical to building national solidarity, unless their economic conditions improve. As long as immigrants remain as a cheap labor force, social integration is hard to achieve.