Keeyoung Rhee

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Education

2015	Ph.D.	Economics	Columbia University
2008	B.S.	Mathematics *(summa cum laude)*	Seoul National University
	B.A.	Economics	

Career

2015 - present	Korea Development Institute (KDI)	Research Fellow

Non-standing Career

2015 - present	Korea Deposit Insurance Corporation (KDIC)	Adviser on the Differential Premium System

Fields of Specialization   Financial Economics, Applied Microeconomic Theory

Working Papers

"Bailout Stigma," written with Yeon-Koo Che and Chongwoo Choe

Abstract We develop a model of bailout stigma in which accepting bailouts may signal firms' financial troubles and worsen subsequent financing conditions. Bailout stigma can lead to low or even no take-up of otherwise attractive bailout offers, the failure of immediate market revival, or a government having to pay a hefty premium to support market revival. Nonetheless, the stigma has a salutary effect: by refusing to accept bailouts, firms may rehabilitate their market perceptions, thereby improving their subsequent funding conditions. Secret bailouts may not eliminate bailout stigma, but secrecy accompanied by restrictions on early market revival does remove the stigma and achieve constrained efficiency.

"Stress Tests and Model Monoculture," written with Keshav Dogra (under review)

(Previously circulated with the title *"Optimal Stress Tests and Diversification"*)

Abstract We study whether regulators should reveal stress test results which contain imperfect information about banks' financial health. Although disclosure restores market confidence in banks, it misclassifies some healthy banks as risky. This encourages banks to choose portfolios that are deemed safe by regulators, leading to model monoculture and making the financial system less diversified. Optimal policy involves a commitment to reveal stress test results only when adverse selection problems are very severe or very mild. Where possible, stress tests should be designed to avoid predictable bias against particular portfolios, even at the cost of reducing average accuracy.

Work in Progress

"Possibly Ineffective Negative Interest Rate Policy," written with Myungkyu Shim

"Negative Campaign and Optimal Reimbursement Policy Design," written with Ilwoo Hwang and Jaehoon Kim

"The Effects of Revolving Doors on Financial Regulators' Enforcement Decisions: Evidence from Korea," written with Sunjoo Hwang and Hwa Ryung Lee

Conference Presentations

2018	NBER East Asia Seminar on Economics (EASE), Seoul
2017	The Econometric Society North American Summer Meeting 2017, St. Louis (presented by the co-author)
	The Econometric Society Asian Meeting 2017, Hong Kong
	2017 Korea's Allied Economic Associations Annual Meeting, Seoul
2016	2016 Federal Reserve Stress Test Research Conference (presented by the co-author)
2015	The Econometric Society 2015 World Congress, Montreal
2013	WCU-Economics Conference, Yonsei University, Seoul

Honors, Awards, and Affiliation:

2015	Travel Grant, the Econometric Society 2015 World Congress, Montreal
2014	Dissertation Fellowship, Columbia University
2013	World Class University (WCU) Research Fellowship, Yonsei University
2009 – 2014	Faculty Fellowship, Columbia University

Referees

American Economic Journal: Microeconomics
Journal of Public Economic Theory
Korean Economic Review