

CHENYUE LEI

Department of Economics, Boston University
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EDUCATION

Ph.D., Economics, Boston University, Boston MA, May 2023 (expected)
Dissertation Title: *Essays on Firm Dynamics, Financial Frictions and Macroeconomics*
Main advisor: Stephen James Terry

B.S., Economics *with highest honors*, and B.S., Statistics, Pennsylvania State University,
University Park, PA, 2016

FIELDS OF INTEREST

Macroeconomics, Finance, International Economics

WORKING PAPERS

“[Financial Frictions, Debt Tax Shields, and the Macroeconomy](#)”, October 2022, Job Market Paper

WORK IN PROGRESS

“The Survival of Zombies: Evidence from the European Sovereign Debt Crisis”

RESEARCH REPORTS

“Gaps and opportunities: supporting Boston’s BIPOC small businesses” (with David Glick, Katharine Lusk, Stacy Fox, and Madeline Webster), Boston University Initiative on Cities Research Reports, 2022

PRESENTATIONS

Boston University Macro Dissertation Workshop, Boston MA, 2019-2021

FELLOWSHIPS AND AWARDS

Dean's Fellowship, Boston University, 2016-2021
Paterno Fellow, Pennsylvania State University, 2016
The Evan Pugh Scholar Senior Award, Pennsylvania State University, 2016
Robert W. Lewis Scholarship, Pennsylvanian State University, 2015

WORK EXPERIENCE

Research Fellow, Initiative on Cities, Boston University, Spring 2022
Intern, International Monetary Fund, Remote, Summer 2020
Research Assistant to Professor Yuhei Miyauchi, Boston University, Fall 2019
Research Assistant to Professor Kala Krishna, Pennsylvania State University, Fall 2015

TEACHING EXPERIENCE

Department of Economics, Boston University
Teaching Fellow, Introductory Microeconomic Analysis, Spring 2019

Teaching Fellow, Introductory Macroeconomic Analysis, Fall 2018
Teaching Assistant, International Trade (master-level), Spring 2021
Teaching Assistant, Public Control of Business (master-level), Spring 2021
Teaching Assistant, Urban Economics, Spring 2020
Teaching Assistant, Intermediate Macroeconomic Analysis, Fall 2020
Morgan Academic Center for Student-Athletes, Pennsylvania State University
Economics and Math Tutor, Fall 2015

LANGUAGES

Mandarin (native), English (fluent)

COMPUTER SKILLS: Proficient in STATA, MATLAB, R, LaTeX and Basic in Python, Julia

CITIZENSHIP/VISA STATUS: China/F1

REFERENCES

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Terry**

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Hassan**

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CHENYUE LEI

Financial Frictions, Debt Tax Shields, and the Macroeconomy (Job Market Paper)

This paper evaluates the aggregate effects of financial frictions in the presence of tax shields. Previous studies indicate that removing financial frictions will stimulate investment and reduce misallocation. However, with the tax shield of debt financing, the macroeconomic implications can be different. I build a quantitative general equilibrium model of dynamic investment. Heterogeneous firms face two types of financial frictions: (a) borrowing constraints and (b) costly equity issuance. I structurally estimate the borrowing constraint parameter by targeting the slope of investment with respect to leverage. My quantification results show that financial frictions have a non-monotonic effect on firm investment and financing decisions and aggregate outcomes. When firms become less financially constrained, the debt tax shield leads to excessive borrowing and exacerbates misallocation. After removing financial frictions, aggregate capital stocks grow about 10%, output gains 3%, and aggregate productivity increases 0.2%, which can be much larger than without accounting for the tax shield.