

ANZHOU ZHANG

<https://sites.google.com/a/stonybrook.edu/zaz/>

E-mail: anzhou.zhang@stonybrook.edu

STONY BROOK UNIVERSITY

Office Contact Information

Economics Department
Stony Brook University
Social and Behavioral Sciences Building
Stony Brook, NY 11794, USA.
Phone: +1 (631) 682-2180

Education

- Ph.D. in Economics, Stony Brook University, USA, 2013-2019 (expected).
- M.A. in Accounting, Peking University, China, 2008-2010.
- B.A. in Accounting, Harbin Institute of Technology, China, 2002-2006.

Working Experience

- HuaAn Fund Management Co., Ltd., Shanghai, China, 2010-2013
- Harbin Electric International Co., Ltd., Harbin, China, 2006-2008

Research Fields

Microeconomic Theory, Industrial Organization, Corporate Finance, Applied Econometrics.

Working Papers

- "R&D Race, Patent Licensing and the Social Value of Innovation", 2018 (**Job Market Paper**).
- "The Share Contracts in Financial Investment Funds", 2018.
- "The Provision of Financial Statements as a Public Good: Theory and Evidence", 2018.

Work In Progress

- "The Licensing of Preliminary Innovations", with Yair Tauman, 2018
- "The Under-pricing and Under-performance of IPOs in China", with Zhicheng Li, 2018.

Teaching Experience

- Instructor at Stony Brook University
 - Game Theory (undergraduate), Fall 2018
 - Corporate Finance (undergraduate), Summer 2018
 - Mathematical Statistics (undergraduate), Summer 2017
- Teaching Assistant at Stony Brook University
 - Introduction to Economics, Fall 2013, Spring 2014, Summer 2016, Fall 2017, Spring 2018
 - Intermediate Microeconomic Theory, Fall 2015, Spring 2016, Fall 2016, Spring 2017
 - Intermediate Macroeconomic Theory, Fall 2014, Spring 2015

Conferences and Activities

- The Southern Economic Association 2018 Conference, Washington, DC, 2018 (Scheduled)
- The 29th Stony Brook International Conference on Game Theory, Stony Brook University, USA, July 2018.

Fellowships, Scholarships, and Awards

- Graduate Fellowship, Stony Brook University, 2013-2019.

Others

- Languages: English: Fluent; Mandarin Chinese: Native.
- Computer Skills: Matlab, R, RATS, Maple, SAS, L^AT_EX

References

Professor Yair Tauman (Advisor)

Department of Economics
Stony Brook University
Stony Brook, NY 11794, USA.
Phone: +1 (631) 632-7557
E-mail: amty21@gmail.com

Professor Sandro Brusco

Department of Economics
Stony Brook University
Stony Brook, NY 11794, USA.
Phone: +1 (631) 632-7537
Email: sandro.brusco@stonybrook.edu

Professor Ting Liu

Department of Economics
Stony Brook University
Stony Brook, NY 11794, USA.
Phone: +1 (631) 632-7532
E-mail: ting.liu@stonybrook.edu

Professor Pradeep Dubey

Department of Economics
Stony Brook University
Stony Brook, NY 11794, USA.
Phone: +1 (631) 632-7514
Email: pradeep.dubey@stonybrook.edu

R&D Race, Patent Licensing and the Social Value of Innovation

(Job Market Paper)

This paper studies an R&D race to a cost-reducing innovation with an arbitrary finite number of participants who are outsiders to the industry. The winner collects revenues through patent licensing. It shows that unrestricted competition among R&D participants for the patent right together with intense competition among incumbent firms for licenses can lead to a negative expected social value of the innovation. The paper analyzes the effect of pre-innovation market structure on the expected social value of the innovation. If the pre-innovation market is highly competitive, the expected social value of the innovation will always be non-negative. As the competitive level increases, the expected social value decreases. If the pre-innovation market is perfectly competitive, the expected social value of a non-drastic innovation is zero. Further, this paper shows that with identical innovating ability, outside entities have higher incentives to innovate than incumbent firms. If the number of outside R&D competitors is sufficiently large, incumbent firms will not compete in the R&D race.

The Share Contracts in Financial Investment Funds

This paper studies a dynamic contract with size-contingent share rates, a static contract with decreasing share rates and a static flat share rate contract with or without leverage. The first is used in open-end mutual funds, the latter two are used in closed-end funds (including hedge funds). I find that the dynamic contract with size-contingent share rates is efficient in addressing the moral-hazard problem in the sense that it induces the risk-averse agent (the fund manager) to exert the same level of effort as he would exert if his effort were observable by the principal (the investor). I also show that in a competitive agent market, the dynamic contract with size-contingent share rates is superior to both the decreasing share rate contract and the flat share rate contract in terms of principal's welfare. Finally, this paper shows that the flat share rate contract with leverage yields principal a higher expected rate of return on investment than the flat share rate contract without leverage.

The Provision of Financial Statements as a Public Good: Theory and Evidence

This paper studies the provision of public firms' financial statements from the perspective of public goods. I show the provision of financial statements amounts to using a simple mechanism which, under certain assumptions, induces consumers will reveal their demand for the public good truthfully. The quantity of public good provided under the mechanism converges in probability to the socially efficient quantity, as the number of the consumers goes to infinity. Further, I derive testable implications regarding the changes in provision of financial statements arising from the liquidity-split reform in China's capital market, and I find supportive evidence in relevant reform-era data.