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PERSONAL

Date of Birth: January 15, 1972. Sex: Male. Citizenship: South Korean.

RESEARCH INTERESTS

Microeconomic Theory, Information Economics, Industrial Organization, Game Theory.

EDUCATION

- PhD, Economics, University of Pittsburgh, USA, expected in June 2010.
- MA, Economics, Sungkyunkwan University, South Korea, 2004.
Thesis: "The Role of Costly Signals in a Game of Strategic Information Transmission,"
in Korean, advised by Yong-Gwan Kim.
- BA, Economics, Sungkyunkwan University, South Korea, 1999.

HONORS AND AWARDS

- The Jerome C. Wells Teaching Award, University of Pittsburgh, 2008.
- Teaching Fellowship, University of Pittsburgh, 2005–2009.
- Arts & Sciences Graduate Fellowship, University of Pittsburgh, 2004–2005.
- Brain Korea 21 Scholarship, Sungkyunkwan University, 2004.
- Sungkyun Honorable Scholarship, Sungkyunkwan University, 2002, 2003.
- Undergraduate Tuition Scholarship, Sungkyunkwan University, 1998.

WORK EXPERIENCE

Teaching Assistant

- Introduction to Microeconomic Theory, Fall 2006, Fall 2007, Spring 2008, Spring 2009,
Summer 2009, Fall 2009.
- Introduction to Macroeconomic Theory, Spring 2007.
- Introduction to Economics, Fall 2008.

Research Assistant

- Yong-Gwan Kim, Sungkyunkwan University, Spring 2004, funded by Brain Korea 21.
- Byung-Keon Song, Sungkyunkwan University, Fall 2002 – Spring 2003, funded by Korea Research Foundation.

Others

- Department administrative assistant, Sungkyunkwan University, 2002–2003.

PUBLICATION

“A Game of Strategic Information Transmission and Costly Signals” (with Yong-Gwan Kim), *Industrial Organization Research* 14, 139–176, 2006, in Korean.

Communication through cheap talk can be informative under incomplete information if preferences are sufficiently close between the sender and the receiver. In this costless signaling game, the most informative equilibrium yields both players higher ex ante expected payoffs than any other equilibria. However, if the sender is allowed to use costly signals in addition to cheap talk, even full information transmission is possible regardless of the difference in preferences, and the availability of these costly signals can improve the precision of cheap talk communication. In this case, the preferences over the equilibria diverge between players. In this paper, Crawford and Sobel's (1982, *Econometrica*) and Austen-Smith and Banks' (2000, *Journal of Economic Theory*) models are reexamined and extended to the case in which the sender's costly signal increases the receiver's payoff. In particular, this paper analyzes the model in which the players have quadratic payoff functions and the sender's private information is uniformly distributed. And its applications to industrial organization are also discussed.

WORKING PAPERS

“Costly Certification of Product Quality.” (Job Market Paper)

When buyers are uncertain of product quality, one of the factors of the failure of full revelation is the existence of disclosure cost to the seller. Only if the marginal benefit from disclosure is greater than the marginal cost, full revelation can be supported as an equilibrium outcome. In this paper where a monopolist seller's certification cost is increasing with the informativeness, there are multiple equilibria and the equilibrium with the least disclosure is Pareto optimal. When the buyer is more informed of product quality, he can use the product more effectively. If we incorporate this fact into the model, the buyer's utility depends on his action as well as on the quality. In this case, more information is revealed in the optimal equilibrium when compared to the case in which the buyer is only concerned about the quality. Furthermore, more information is revealed when the variance of the quality is larger or when the average quality is less.

“Information Transmission When Uninformed Senders Are Present.”

This is an extension of the Crawford-Sobel (1982, *Econometrica*) model to the case in which the sender is uninformed with a positive probability and, consequently, the receiver is uncertain of the quality of information that he receives. In this paper, I analyze the effect of the uninformed sender on the information transmission between the informed sender and the receiver. In almost all equilibria, the uninformed sender pools with a subset of types of the informed sender. Because there is uncertainty about the sender's informedness, the quality of information received by the receiver is more coarse. Therefore, the receiver's expected utility is less than that in the best CS equilibrium. This result contrasts with the existing literature on uncertain environments of communication in which the receiver is better off. However, by the agents' strategic communication, the informed sender's cheap talk message conveys more precise information and the informed sender is better off than she would be in the best CS equilibrium.

WORK IN PROGRESS

“Quality Disclosure and Negative Advertisement.”

LANGUAGES

Korean (native), English (fluent), Japanese (advanced).

REFERENCES

Andreas Blume

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