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Uppsala University
Department of Economics, Box 513
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Sweden

Fields of Research

Primary: Macroeconomics and Labor Economics Secondary: International Economics

Education

Ph.D. Candidate, Economics, Uppsala University, Sweden, Expected 2015

Harvard University, MA, USA, Special Student

B.A. *Cum Laude* Economics, Bryn Mawr College, PA, USA, 2005

Concentration: International Economic Relations, Minors: Mathematics, Political Science

Minor Concentrations: International Political Economy, Peace and Conflict Studies

London School of Economics and Political Science, London, UK, General Course

L'Institut d'Études Françaises d'Avignon, Avignon, France, *Diplôme de Français des Affaires*

High School, Robert College, Istanbul, Turkey, 2001

Previous Employment

Research Institute of Industrial Economics, Stockholm, Sweden. Research Assistant, 2009-2010

Federal Reserve Bank of Boston, Boston, MA, USA. Senior Research Assistant, 2006-2008

Federal Reserve Bank of Boston, Boston, MA, USA. Research Assistant, 2005-2006

Visiting

Boğaziçi University, Center for Economic Design, and Center for Economics and Econometrics, 2012 Summer

Teaching Experience

Instructor, Boğaziçi University, Istanbul, Turkey

Introduction to Macroeconomics (Undergraduate), 2013 Summer Term

Teaching Assistant, Uppsala University, Sweden

Macro Theory I (PhD), 2013-Present

Applied Econometrics (Masters), 2012-Present

Teaching Assistant, Bryn Mawr College, PA, USA

Statistical Methods in Economics (Undergraduate), 2004-2005

Principles of Economics (Undergraduate), 2004-2005

Publications

Baziki, Selva Bahar, 2008. "The Economic Importance of the Emerging Giants." In *Global Imbalances and the Evolving World Economy*, ed. Jane Sneddon Little. Boston, Federal Reserve Bank of Boston.

Current Research Papers

Import Competition and Technological Changes: Mobility of Workers and Firms (Job Market Paper)

joint with Rita Ginja, Teodora Borota Milicevic

This paper studies the industry labor dynamics in response to recent changes in technology and import competition using detailed matched worker-firm micro data on manufacturing industries in Sweden. Our findings contribute to the explanation of the rise in wage inequality observed in many OECD economies. We focus on the worker-to-firm sorting phenomena which we capture in the data. We analyze the effects of the increase in Chinese import penetration and the ICT (information and communication technologies) adoption as potential drivers of the patterns in the data and we investigate the outcomes of their interactions. We find evidence of increased assortativeness in the matching of heterogeneous workers and firms within the high ICT adoption industries, but the sorting patterns are not uniform across industries of this type. In the absence of strong pressure in import competition, the sorting occurs at the low end of the worker-firm distribution, i.e. low-skill workers sorting to low quality firms. On the other hand, ICT technology adoption along with a stronger Chinese import competition results in significant skill upgrade within higher quality firms. Industries with low ICT adoption do not exhibit these sorting patterns. Besides shedding some light on the patterns behind the trends in the wage distribution, this evidence provides a basis for further theoretical and policy analysis on the interactions of technological changes and competitive pressures in globalized markets.

Globalization, Chinese Imports, and Wage Premia

This paper studies the effects of increased competition from low wage countries on the wage gap between skilled and unskilled workers. Treating Chinese accession into WTO as an exogenous shock to domestic competition, the paper shows that higher Chinese import penetration lowers wages for low-skilled workers, but increases wages for high-skilled workers, and thus generates a significantly larger skill premium for the latter group, contributing to the increase in wage inequality. The increase in the premium for high-skilled workers is between four to seven times larger in magnitude compared to the negative effect on the low-skilled. High skilled employees who stay on in the same firm enjoy a larger return to their educational investment which suggests that upwards wage adjustment happens to a larger degree on the job. Low-skilled workers who move between firms suffer a larger negative impact from rising Chinese imports compared to those who stay on at the same firm which suggests downward wage rigidity. The matched worker-firm micro data used covers the total population of workers in privately owned manufacturing firms between 1996 and 2009 in Sweden.

International Restructuring: Cross-border Buyouts and Acquisitions

joint with Pehr-Johan Norbäck, Lars Persson, and Joacim Tåg

Motivated by the increase in cross-border private equity (PE) buyouts we propose a model of cross-border acquisitions and buyouts where multinational enterprises (MNEs) exploit firm-specific assets and retained earnings whereas PE exploits restructuring skills. Lower risk premium and better financial market development increases the PE-buyout share by reducing MNEs' incumbent advantage, while increases in intellectual property rights protection decreases the share through higher MNE acquisition synergies. A reduction in interest rates does not increase the share of PE-buyouts, since MNEs' opportunity cost of using retained earnings for the investment then decreases as well. Restricting PE-buyouts can be counterproductive for welfare in particular when the risk premium is high.

Cross-border Leveraged Buyouts

A substantial share (8.3%) of all cross-border Mergers and Acquisitions (M&As) undertaken during 1998-2008 consisted of cross-border buyouts performed by Private Equity (PE) firms, and this generated much heated discussion about role of PE in the international economy. To understand how this share varies across countries and time, I present a theory of cross-border M&As and buyouts, which shows that cross-border buyouts perform more restructuring of the target firm compared to incumbent buyers. The theory suggests that cross-border buyouts in relation to cross-border M&As are negatively related to (i) strong

property rights, and (ii) strong transaction costs, and positively related to (iii) very high (or very low) international market integration. These predictions are tested on, and supported by a comprehensive data on all majority-owned cross-border M&As in the world.

Conferences and Presentations

Midwest Macro Meeting, Florida International University, November 2014
Tenth Danish International Economics Workshop, Aarhus University, June 2014
NOITS Fifteenth Annual Workshop, Stockholm University, May 2014
Nordic Workshop on Matched Employer-Employee Data, Krusenberg Herrgård, May 2014
Seminar, Department of Economics, Uppsala University, May 2014
Seminar, Department of Economics, Boğaziçi University, July 2013

Awards and Scholarships

Uppsala University, Wallander-Hedelius-Browaldh Foundation, 2011-2014
Federal Reserve Bank of Boston, Service Quality Award, awarded four times, 2006-2008
Bryn Mawr College, Laura Estabrook Romine'39 Fellowship in Economics awarded by the Dean, 2005
Oxford University, Best Delegate and Diplomacy Award, Model United Nations, 2003
London School of Economics and Political Science, Cumberland Lodge Conferences Funding Award, 2003
Bryn Mawr College, International Economic Relations Full Scholarship, 2003
Bryn Mawr College, Jean Slovatin Picker and Gale Picker Fund, Regional Alumnae Scholarship, 2002
Bryn Mawr College, Full Grant, 2001-2005

Leadership

Chairwoman, PhD Students Association, Department of Economics, Uppsala University, 2013-Present
Secretary, Social Sciences PhD Council, Uppsala University, 2013-Present
Department Representative, Social Sciences PhD Council, Uppsala University, 2012-Present
Federal Reserve Society, Federal Reserve Bank of Boston, 2006-2008
Math and Kids Tutor, Federal Reserve Bank of Boston, 2006 and 2008
Student Representative to the Board of Trustees, Finance Subcommittee, Bryn Mawr College, 2004-2005
President, Association of International Students, Bryn Mawr College, 2002-2003

Languages

English (fluent), French (intermediate, DFA I Mention Bien), Swedish (intermediate, SFI D), Turkish (native)

References

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