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Research Interests

Labor and Finance, Corporate Finance, Financial Markets, Labor Economics

References

Prof. Farzad Saidi
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Prof. Xavier Giroud
Columbia University
xavier.giroud@gsb.columbia.edu

Prof. Simon Jäger
MIT
sjaeger@mit.edu

Education

- since 10/2020 **Ph.D. Candidate**, Bonn Graduate School of Economics
(submitted) Ph.D. Thesis “Essays on Financial and Labor Market Institutions”
Advised by Prof. Farzad Saidi
- 01/2023 – 06/2023 **Visiting Ph.D. Scholar**, Columbia Business School
Hosted by Prof. Xavier Giroud
- 10/2018 – 09/2020 **M.Sc. in Economic Research**, University of Bonn
Integrated into the BGSE doctoral program
- 09/2016 – 04/2017 **Exchange Student**, University of Toronto
- 10/2014 – 11/2017 **B.Sc. in Economics**, University of Bonn
(2017) B.Sc. Thesis “On Symmetric and Asymmetric Information in Models of a Decentralized Asset Market”
- 10/2013 – 02/2018 **B.Sc. in Mathematics**, University of Bonn
(2016) B.Sc. Thesis “The Birth of a Bubble in Incomplete Financial Markets Modeled by Shifting Martingale Measures”, *based on a paper in Finance and Stochastics and cited in its [revised version](#)*

Work and Research Experience

- since 10/2024 University of Bonn, *Post-Doctoral Researcher*
Institute of Finance and Statistics
- 01/2021 – 09/2024 University of Bonn, *Young ECONtribute (YEP) Student*
ECONtribute (Cluster of Excellence) Reinhard Selten Institute
- 07/2018 – 10/2018 **European Central Bank (ECB)**, Frankfurt, *Trainee*
Monetary Analysis Division (Directorate General Economics)
- 08/2015 – 10/2015 **Centre for European Economic Research (ZEW)**, Mannheim, *Intern*
Department “Economics of Innovation and Industrial Dynamics”
- 06/2012 – 06/2012 BrandMaker (software company), Karlsruhe, *Intern*

Working Papers

Do Firms Hedge Human Capital? ([Job Market Paper](#), November 2024)

Presented at the EFA Doctoral Tutorial 2024

I study how firms' labor hoarding, driven by their reliance on firm-specific human capital, affects their hedging of other business risks. Leveraging German administrative data on short-time work, combined with matched employer-employee data and firm financial information, I develop a firm-level measure of hoarded labor. I formalize the hypothesized risk trade-off in a stylized model featuring demand uncertainty and uncertainty around an unrelated price risk that can be hedged at a cost. Empirically, labor-hoarding firms exhibit larger comovements of their cash flows (CF) with demand fluctuations, illustrating the upside potential of hoarded labor functioning as a capacity increase. However, labor hoarding is not linked to higher overall CF volatility; instead, it is linked to reduced foreign-exchange (FX) risk as one specific price risk. FX risk can substantially contribute to CF volatility, especially for smaller, globally exporting firms that are sensitive to the driving forces of labor hoarding suggested by the model: idiosyncratic demand risk and reliance on firm-specific human capital. I instrument hoarded labor with proxies for firm-specific human capital and find that firms hedge their FX risk more in response to greater labor hoarding. These findings offer a new perspective on firms' willingness to assume risk in the context of labor market rigidities and institutions.

Short-Time Work Extensions ([NBER Working Paper](#), November 2024)

with Simon Jäger, Moritz Kuhn, Farzad Saidi, and Stefanie Wolter

Governments use short-time work (STW) schemes to subsidize job preservation during crises. We study the take-up of STW and its effects on worker outcomes and firm behavior using German administrative data from 2009 onward. We examine two dimensions of policy variation: STW eligibility and extensions of potential benefit duration (PBD). Workers above retirement age, ineligible for STW, show identical employment trajectories to eligible peers when their employer uses STW. A reform doubling PBD from 6 to 12 months did not affect average employment stability. Control firms, ineligible for the extension, lowered wages persistently compared to treated firms. Across cells, larger wage effects corresponded with smaller employment effects, consistent with downward wage flexibility preventing layoffs. Our research designs reveal that STW extensions in Germany did not significantly improve short- or long-term employment outcomes.

Differences in Default Risks and Competition in Insurance Markets ([Working Paper](#), August 2024)

Earlier versions:

ECONtribute Discussion Paper (No.153, 2023), CRC TR 224 Discussion Paper (No.444, 2022)

I study incentives for insurance sellers to ensure solvency when insurer default risk is a quality dimension of the insurance product. In the model, insurance sellers choose default risks before competing for heterogeneously risk-averse clients. I show that a unique price equilibrium exists for any pair of default risks, with the low-default-risk insurer earning larger profits. Different from standard vertical product differentiation, market discipline in the choice of default risk emerges: the first mover chooses a low default risk, and the second mover follows with a (potentially small) default risk gap. The model captures essential features of over-the-counter derivatives markets, where derivatives are akin to insurance products offered by dealers, typically large banks. I discuss the results in the context of over-the-counter derivatives markets.

Affiliations, Fellowships, and Honors

since 11/2024	ECONtribute, <i>Associated Member</i>
2023	Scholarship for Research Stays Abroad, German Academic Exchange Service
since 05/2022	Institute for Employment Research (IAB), <i>Guest Researcher</i> Research Institute of the German Federal Employment Agency
2022	ECONtribute Travel Grants (for seven week-long research stays at the IAB)
since 03/2021	Collaborative Research Center (CRC) Transregio 224, <i>Fellow</i> Cooperation between the University of Bonn and the University of Mannheim
2018 – 2020	Full Stipend, Bonn Graduate School of Economics
2017	All-OUA Academic Award, Ontario University Athletics <i>2016-2017 Women's Foil Fencing Roster at the University of Toronto</i>
2016 – 2017	Stipend for Exchange Program (tuition coverage abroad), University of Bonn
2014 – 2020	German Academic Scholarship Foundation (<i>Studienstiftung</i>), <i>Fellow</i>

Teaching Experience and Service

2021 – 2024	TA for <i>Financial Markets and Institutions</i> (Bachelor), University of Bonn
2021 – 2023	Wharton Research Data Services (WRDS) Department Representative
2020	Tutor for <i>Financial Markets and Institutions</i> (Bachelor), University of Bonn
2017	Tutor for <i>Intermediate Microeconomics B</i> (Bachelor), University of Bonn

Presentations

2024	EFA Doctoral Tutorial, Bonn Finance Seminar, Bonn-Frankfurt-Mannheim PhD Conference
2023	Columbia Business School PhD Seminar
2022	Bonn Finance Seminar, YEP Seminar
2021	Bonn Finance Seminar, 14th RGS Doctoral Conference in Economics, London School of Economics Future of FMI: PhD and Early Career Roundtable, 8th CRC TR 224 Workshop for Young Researchers

Summer Schools

2021	Big-Data Initiative in International Macro-Finance, Stanford University
2021	Mitsui Center Summer School on Structural Estimation in Corporate Finance, University of Michigan

Personal

Citizenship	German
Date of Birth	January 1, 1995
Software Skills	Python, Stata; basic knowledge in R, Matlab
Languages	German (native), English (Cambridge Certificate C2), Spanish (a little rusty)