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**Contact Information:**

School of Economics  
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**Personal Information:**

Birth Year: 1990; Gender: Male; Citizenship: Chinese

**Academic Employment:**

Postdoctoral Research Fellow, INSEAD June 2018 – Present

**Undergraduate Studies:**

B.S., Material Physics, Wuhan University Sep 2008 – Oct 2008  
B.S., Statistics & Mathematics, National University of Singapore Aug 2009 – June 2013

**Graduate Studies:**

Ph.D., Economics, Singapore Management University Aug 2013 – May 2018  
Thesis Title: On International Trade and Industrial Policies

**References:**

**Wen-Tai Hsu (advisor)**

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1 Ayer Rajah Ave  
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**Teaching and Research Fields:**

Primary fields: International Economics, Economic Geography, and Urban Economics  
Secondary fields: Chinese Economy and Industrial Policies

**Teaching Experience:**

Instructor – SMU: Introductory Statistics (2016)  
Teaching assistant – SMU: Intermediate Macroeconomics (2015), International Trade & Intermediate Econometrics (2017), Economic Forecasting (2018)

### **Professional Activities:**

Referee: Journal of Asian Economics

Membership: Econometric Society, Urban Economics Association

### **Conference and Seminar Presentations:**

Jun 2020, Institute for Advanced Economic Research (DUFEE), Dalian, China (Zoom)

Dec 2019, 2019 SMU Conference on Urban and Regional Economics, Singapore

Jun 2019, INSEAD-SMU Joint International Economics Workshop, Singapore

Jun 2019, 2019 Asian Meeting of the Econometric Society, Xiamen, China (Session Chair)

Dec 2018, 2018 SMU Conference on Urban and Regional Economics, Singapore

Oct 2018, 2018 Meeting of the Urban Economics Association, NY, U.S.

### **Honors, Scholarships, and Fellowships:**

SMU PhD Economics Scholarship, 2013 – 2017

NUS Undergraduate Full-Ride Scholarship, 2009 – 2013

NUS Dean's List, 2011 & 2013

### **Research Papers:**

**“Market Size, Trade, and Institution”, (Job Market Paper) with Wen-Tai Hsu**

**Abstract:** This paper proposes a theory of market size and institution by incorporating the incomplete-contract model in Acemoglu et al. (2007) in a general-equilibrium, open-economy environment and in a Nash-equilibrium setting in which national planners optimize their countries' welfare over institutional qualities. Our theory predicts that a larger effective market size leads to a higher institutional quality, that a status-quo country may reduce its institutional quality when other countries trade-liberalize among themselves, and a flying geese pattern of institution. Empirically, we find that a larger effective market size does lead to improvement in contracting institution, but it affects little of other dimensions of institution. Quantitatively, we find that institutional improvement induced by trade liberalization from autarky to current trade costs accounts for a sizeable portion of a country's total welfare gains from trade.

**“Foreign Direct Investment and Industrial Agglomeration: Evidence from China”, (*under review*) with Wen-Tai Hsu, Yi Lu and Lianming Zhu**

**Abstract:** This paper studies the effect of foreign direct investment (FDI) on industrial agglomeration. Using the differential effects of FDI deregulation in 2002 in China on different industries, we find that FDI actually affects industrial agglomeration negatively. As FDI brings technological spillovers and various agglomeration benefits, other forces must be at work to drive our empirical finding. We propose a simple theory that FDI may discourage industrial agglomeration due to fiercer competition pressure. We find various evidence on this competition mechanism. We also examine an alternative theory based on spatial political competition, but find no evidence supporting it. On industrial growth, we find that FDI deregulation is conducive, but the dispersion induced by FDI deregulation reduces the positive effect of FDI on growth rate by 16 to 19%.

**“Industrial Subsidy Policy and Capital Misallocation in China”, with Shang-Jin Wei and Jianhuan Xu**

**Abstract:** This paper studies the Chinese industrial subsidy policy from 1998 to 2007. Our industry equilibrium model establishes that the optimal policy should be positively correlated with input distortions confronted by firms. Based on this prediction, we evaluate the effectiveness of subsidy policy in China and document three stylized facts: (1) On the firm level, conditional on firm size, the subsidy can help correct for the capital and labor distortions over time; (2) We use the propensity score matching combined with difference-in-differences to identify the causal effect of subsidy and find that subsidized firms perform better in terms of value added but not revenue TFP; (3) Regions in the 'Western Development Program' received more subsidies compared to their east counterparts, both in the intensive margin and extensive margin. Finally, we quantify the effect of the subsidy policy on welfare.

**“The Political Economy of Land Supply: The Case of China”**, with Wen-Tai Hsu and Yang Tang

**Abstract:** This paper develops a quantitative spatial equilibrium framework to study the political economy of urban land supply in China. The model captures at least three aspects of political economy in China: (1) the competition for promotion among different local government leaders; (2) the rent-seeking motives of local government leaders; (3) the fact that economic performance (i.e., GDP) is the main key performance indicators in the race for promotion. We also characterize different welfare benchmark for comparison. In this economy, land is useful for both residential need and production, and the fact that land/housing is a necessity creates an incentive for government officials to restrict land supply via the rent-seeking channel. The competition channels encourage land supply. Our results show that the equilibrium welfare is close to the welfare benchmarks because political competition among different cities outweigh the rent-seeking motives. When labor is immobile and hence the political competition channel is shut down, welfare worsens dramatically.

### **Selected Work-in-Progress:**

**“The Rise of Chinese Exports: Knowledge Spillovers Within and Across Industry Boundaries”**, with Pushan Dutt and Lin Tian

**Abstract:** This paper studies how exporters' learning on the firm-product-destination-year level shapes export dynamics. We present a model of Bayesian learning in which firms infer time-varying demand shifters through spillovers, measured by cumulative exports, within its own other products or across peers either in the same city or the same industry. Using China's Customs Data for all exporters from 2000 to 2006, we find that both the effect of within-firm learning spillovers and the effect of the same-city-same-sector learning spillovers are positive and help boost current exports. The results are robust when we control for the demand shocks, supply shocks and trade costs, or when we focus on subsamples such as incumbents, non-processing or non-trading firms. We also analyze the learning heterogeneity along several dimensions.

**“Specialization Patterns of Exporters: Evidence from China”**, with Pushan Dutt and Lin Tian

### **Computer Skills:**

MATLAB, Stata, R, SPSS, Eviews, Python

### **Languages:**

Chinese (native), English (fluent)