

# Xiaoyang Li

[xiaoyangli@uchicago.edu](mailto:xiaoyangli@uchicago.edu)  
+1 (773) 798-7938  
[xiaoyangli.com](http://xiaoyangli.com)

## OFFICE CONTACT INFORMATION

---

University of Chicago  
Department of Economics  
1126 E 59 Street  
Chicago, IL 60637 USA

## PERSONAL INFORMATION

---

Citizenship     Canada  
Date of Birth    15 December 1997

## RESEARCH FIELDS

---

Macroeconomics, Innovation, Firm Dynamics

## EDUCATION

---

**University of Chicago** Chicago, IL  
Ph.D. in Economics 2019–2025 (expected)

## PLACEMENT

**Co-directors:**    Manasi Deshpande, [mdeshpande@uchicago.edu](mailto:mdeshpande@uchicago.edu), +1 (773) 702-8260  
                         Evan Rose, [ekrose@uchicago.edu](mailto:ekrose@uchicago.edu), +1 (773) 834-3116  
**Coordinator:**    Kathryn Falzareno, [kfalzareno@uchicago.edu](mailto:kfalzareno@uchicago.edu), +1 (773) 702-3026

## REFERENCES

**Chang-tai Hsieh**  
Phyllis & Irwin Winkelried Distinguished Service Professor  
Booth School of Business, University of Chicago  
[chang-tai.hsieh@chicagobooth.edu](mailto:chang-tai.hsieh@chicagobooth.edu); +1 (773) 834-0590

**Esteban Rossi-Hansberg**  
Glen A. Lloyd Distinguished Service Professor  
Department of Economics, University of Chicago  
[rossihansberg@uchicago.edu](mailto:rossihansberg@uchicago.edu); +1 (773) 702-8490

**Mikhail Golosov**  
Homer J. Livingston Professor of Economics  
Department of Economics, University of Chicago  
[golosov@uchicago.edu](mailto:golosov@uchicago.edu); +1 (773) 702-6405

**University of Toronto** Toronto, ON, Canada  
B.S. Triple Major in Mathematics, Economics, Statistics 2015–2019

## WORKING PAPERS

---

### “Industry Shakeouts after an Innovation Breakthrough” (Job Market Paper)

Existing literature holds that after an innovation breakthrough revolutionizes an industry, the number of active firms first rises, and then later falls, in a “shakeout”. This paper challenges that view with new empirical evidence across the entire economy. I introduce a statistical strategy that detects breakthroughs through sustained anomalies in net firm entry rates, surpassing narrative-based approaches by avoiding heuristic biases and being applicable across all industries. The strategy’s reliability is demonstrated by its alignment with well-known breakthroughs and its robustness when tested against existing studies. Contrary to established beliefs, most industries do not shakeout, or experience a decline in the number of firms, following a breakthrough. The absence of shakeouts is explained using a model in which the breakthrough is a shock to the potential productivity of future cohorts of firms. I find that the absence of shakeouts suggests breakthroughs, at least in the US over the past forty years, have primarily occurred in industries with low returns to scale and in technologies with modest learning-by-doing effects.

“Much ado about Property Rights: China’s Agricultural Wedges” (with [Wei Lin](#) & Shijian Yang)

Recent work in misallocation centers on estimating the effects of removing policy distortions on aggregate productivity and output. However, the efficacy of reversing distortions on allocation strongly depends on whether the agents affected have market incentives and on the relationships between the individual distortions. We show that a 2003 Chinese land law, which abolished a decades-old policy of egalitarian land reallocation and allowed land rentals, improved allocation among farmers that sell to the market, but not in general. Using a rich panel dataset of the production and sales behavior of Chinese farmers, we decompose the wedges by factor input. We quantify the impact of the 2003 land law on individual factor distortions and calculate the impact of the law on output. We show that impact of the law is relatively small compared to potential welfare gains from the complete elimination of individual wedges.

## PRESENTATIONS

Yiran Fan Memorial Conference, UChicago (Capital Theory, Applied Macro Theory lunch)	2024
UChicago (Capital Theory, Applied Macro Theory lunch)	2023

## RESEARCH ASSISTANCE

Rotman School of Management, University of Toronto	Toronto, ON, Canada
Professor Nathaniel Baum-Snow	2018
Professor Daniel Trefler	2017

## TEACHING

<b>University of Chicago</b>	Chicago, IL
TA, Competitive Strategy (EMBA)	Prof. Luis Garicano
TA, Advanced Macroeconomic Analysis (Masters)	Prof. Harald Uhlig
TA, Honors Macro Theory and Policy (Undergraduate)	Prof. Kotaro Yoshida
<b>University of Toronto</b>	Toronto, ON, Canada
TA, Honors Macro, Micro, Econometrics	Economics Centre

## HONORS AND AWARDS

Research Scholarship, University of Toronto Excellence Awards	2018
Nanda Choudhry Prize in Economics, University of Toronto	2017
Fraser-Crawford Scholar, Trinity College in the University of Toronto	2016–2017
Dean's List Scholar, University of Toronto	2016–2018
University of Toronto Scholar, University of Toronto	2015

## ACADEMIC SERVICE

Committee of PhD Economics Student Club: <i>Head of the mentoring program.</i>	2022 –2023
Coordinator for Prof Greg Kaplan's Reading Group	2022 –2024
Mathematics Undergraduate Representative, University of Toronto	2018 –2019

## EXTRACURRICULAR ACTIVITIES

University of Chicago Symphony Orchestra: <i>Second violin.</i>	2019–2020
Hart House Orchestra, University of Toronto: <i>First violin, Carnegie Hall Debut on Feb 19 2017.</i>	2015–2019

## SKILLS

Computing Languages and Packages  
*STATA, Python, MATLAB, R*  
 Other Computing Skills  
*LaTeX, Github, MS Excel, Powerpoint*

## LANGUAGES

Fluent: *English, Mandarin*  
 Working: *French*  
 Reading: *Latin*