

Xiaoyang Li

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OFFICE CONTACT INFORMATION

University of Chicago
Department of Economics
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PERSONAL INFORMATION

Citizenship Canada
Date of Birth 15 December 1997

RESEARCH FIELDS

Macroeconomics, Innovation, Firm Dynamics

EDUCATION

University of Chicago
Ph.D. in Economics

Chicago, IL
2019–2025 (expected)

PLACEMENT

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

REFERENCES

Chang-tai Hsieh

Phyllis & Irwin Winkelried Distinguished Service Professor
Booth School of Business, University of Chicago
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Department of Economics, University of Chicago
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Homer J. Livingston Professor of Economics
Department of Economics, University of Chicago
golosov@uchicago.edu; +1 (773) 702-6405

University of Toronto

B.S. Triple Major in Mathematics, Economics, Statistics

Toronto, ON, Canada
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

University of Chicago	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
University of Toronto	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*