

# Xiaoyang Li

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## OFFICE CONTACT INFORMATION

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University of Chicago  
Department of Economics  
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## PERSONAL INFORMATION

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Citizenship     Canada  
Date of Birth    15 December 1997

## RESEARCH FIELDS

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Macroeconomics, Growth, Firm Dynamics

## EDUCATION

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**University of Chicago**  
Ph.D. in Economics

Chicago, IL  
2019–2025 (expected)

## PLACEMENT

**Co-directors:**    Manasi Deshpande, [mdeshpande@uchicago.edu](mailto:mdeshpande@uchicago.edu), +1 (773) 702-8260  
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**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

### Harald Uhlig

The Bruce Allen & Barbara Ritzenthaler Professor  
Department of Economics, University of Chicago  
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### Mikhail Golosov

Homer J. Livingston Professor of Economics  
Department of Economics, University of Chicago  
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### Esteban Rossi-Hansberg

Glen A. Lloyd Distinguished Service Professor  
Department of Economics, University of Chicago  
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### University of Toronto

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

Toronto, ON, Canada  
2015–2019

## WORKING PAPERS

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

After a technological breakthrough, conventional wisdom suggests that the number of active firms first surges, and then sharply declines, in a “shakeout”. This paper challenges that notion with new empirical evidence from across the economy, revealing that shakeouts are the exception, not the rule. I develop a statistical method to identify breakthroughs by tracking sustained anomalies in net firm entry rates, offering a robust alternative to narrative-driven approaches and applicable to all industries. The method reliably aligns with well-documented breakthroughs and remains consistent across various validation tests. Moreover, the analysis uncovers a novel trend: the number of breakthroughs have been declining over time. Using a dynamic model, I show that the absence of shakeouts reflects breakthroughs primarily occurring in industries with low returns to scale and modest learning effects, shifting the narrative on how innovation shapes industry structure, particularly over the past forty years in the U.S.

“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*