

Duc M. Nguyen

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Citizenship:

Canadian and Vietnamese

Research Interests:

Macroeconomics, Economic Development, Growth

EDUCATION

Ph.D. in Economics, University of Toronto	2025 (Expected)
<i>Committee:</i> Diego Restuccia (supervisor), Margarida Duarte, Gueorgui Kambourov	
M.A in Economics, University of Toronto	2019
B.A in Economics, Illinois Wesleyan University	2017
Visiting Student in Economics, University of Oxford	2015

WORKING PAPERS

Openness to Foreign Firms, Industrialization and Growth (Job Market Paper)**Heterogeneous Paths of Structural Transformation****The Micro and Macro Productivity of Nations** with Stephen Ayerst (IMF) and Diego Restuccia (University of Toronto and NBER)

WORK IN PROGRESS

Resource Allocation and Productivity in Canadian Agriculture with Diego Restuccia (University of Toronto and NBER)**Lobbying, Innovation and Economic Growth** with Nasir Hossein Dad (University of Toronto)

AWARDS AND GRANTS

SSHRC Doctoral Fellowship (\$20,000 \times 2)	2022 - 2024
University of Toronto Doctoral Fellowship (\$18,000 \times 5)	2019 - 2024
Illinois Wesleyan University Alumni Scholarship	2013 - 2017
Professor Margaret Chapman Memorial Scholarship for outstanding economics student	2017
1st place out of 70 in Michigan Autumn Take-Home (MATH) Challenge	2014

PROFESSIONAL EXPERIENCE

Teaching Assistant

2018 - present

- ECO 101: Principles of Microeconomics
- ECO 102: Principles of Macroeconomics
- ECO 200: Microeconomic Theory
- ECO 202: Macroeconomic Theory and Policy
- ECO 362: Economic Growth
- ECO 365: International Monetary Economics
- ECO 370: The Economics of Organizations
- ECO 2010: Mathematics and Statistics for PhD Students
- ECO 2120: Topics in Growth and Development

Research Assistant

2019 - 2023

- Professor Diego Restuccia: Model development and computational tasks related to the effect of labor supply on structural transformation.
- Professor Margarida Duarte: Data collection and analysis studying the effect of labor supply on structural transformation in the U.S. and across countries.
- Professor Joseph Steinberg: Computational tasks for trade dynamics model with firm heterogeneity.
- Professor Xiaodong Zhu: Model development related to migration and human capital accumulation.

CONFERENCE AND SEMINAR PRESENTATIONS

University of Toronto, HKU Macroeconomics Workshop* (Hong Kong), University of North Carolina at Chapel Hill*, 2nd Annual Conference on the Asian and Global Economy (HKU), Canadian Economics Association Conference (Toronto), North American Summer Meeting of the Econometric Society (Nashville), Theoretical Research in Development Economics* (Namur) 2024

University of Toronto, Midwest Macroeconomics Meetings (Clemson), LACEA-LAMES Conference* (Bogota), Carleton University*, Bank of Canada* 2023

University of Toronto, Canadian Economics Association Conference (Ottawa), North American Summer Meeting of the Econometric Society (Miami) 2022

University of Toronto 2020-2021
(* presented by co-authors)

ACADEMIC SERVICE

Co-organizer, Macro Development (MacDev) Workshop, University of Toronto 2023
Co-organizer, Macro Development (MacDev) Reading Group, University of Toronto 2022-2024

LANGUAGES

Vietnamese (native), English (fluent)
Programming: Python, Stata, R, MATLAB, Julia, EViews

REFERENCES

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Abstracts

Openness to Foreign Firms, Industrialization and Growth

(Job Market Paper)

This paper examines the impact of openness to foreign firms on resource misallocation, structural transformation, and aggregate productivity in Vietnam. Focusing on major policy reforms in the manufacturing sector over the past three decades, I document empirical evidence of reduced distortions towards foreign firms alongside these reforms. By exploiting the staggered rollout of openness policies through the establishment of industrial zones (IZs), I estimate the causal impact on local outcomes using staggered difference-in-difference estimation. I find causal evidence on the direct effect of reforms on foreign firm entry at local levels. I also find significant spillover effects on domestic firms in services and household income. Next, I build a multi-sector model with entry and exit of domestic and foreign firms to assess the quantitative impact of the reforms on manufacturing productivity, structural transformation, and aggregate productivity. The findings suggest the crucial role of removing distortions towards foreign firms in Vietnam's industrialization and growth experiences.

Heterogeneous Paths of Structural Transformation

I establish new facts and explanations on the heterogeneous paths of structural transformation across countries. First, many countries exhibit flat-manufacturing profiles without noticeable signs of deindustrialization, which differ from the conventional steep-manufacturing hump-shaped profiles in advanced economies. Second, substantial heterogeneity exists in the labor allocation within services sector as flat-manufacturing countries tend to allocate substantially more labor into low-skilled services compared to steep-manufacturing countries. Third, heterogeneous structural transformation paths are prevalent among both earlier and later developers and not subject to the timing of development. Using a standard model of structural transformation, I find that observed differences in sectoral productivity growth are not quantitatively sufficient to generate the heterogeneous paths of structural transformation across countries. Instead, differences in relative productivity levels between manufacturing and low-skilled services account for around the majority, around 70%, of the heterogeneity, suggesting that country-specific factors are key. I show that the observed heterogeneous paths of structural transformation contribute substantially to economic growth outcomes across countries.

The Micro and Macro Productivity of Nations

with Stephen Ayerst (IMF) and Diego Restuccia (University of Toronto and NBER)

We examine the disparity in aggregate productivity across nations using cross-country firm-level panel data and a quantitative model featuring production heterogeneity with distortions and entry, operation, and productivity-enhancing investment decisions by firms. Empirically, we find that less developed countries feature higher distortions and larger dispersion in firm-level productivity, mostly resulting from the prevalence of unproductive firms compared to developed countries. Quantitatively, variation in firm-level productivity accounts for one-third of the variation in allocative efficiency across economies and 60% of the variation in aggregate output. Both technology and selection channels are important in these results. Variation in static misallocation also plays a quantitatively important role, albeit smaller. Differences in aggregate labor productivity in the model represent between 67% and 75% of the variation in the cross-country data. Measured differences in correlated distortions across countries, the elasticity of distortions with respect to firm productivity, generate the bulk of the empirical patterns.