

# 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)

*Committee:* 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 Aggregate 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)**Lobbying, Innovation and Aggregate Productivity** with Nasir Hossein Dad (University of Toronto)

## WORK IN PROGRESS

**Resource Allocation and Productivity in Canadian Agriculture** with Diego Restuccia (University of Toronto and NBER)

## 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
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- 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
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- Professor Diego Restuccia: Develop theoretical models and perform a quantitative analysis of the effect of labor supply on structural transformation.
- Professor Margarida Duarte: Collect data and perform empirical analysis on the effect of labor supply on structural transformation.
- Professor Joseph Steinberg: Conduct computational tasks for trade dynamics models featuring firm heterogeneity.
- Professor Xiaodong Zhu: Develop theoretical models studying the impacts of migration barriers on human capital accumulation.

## CONFERENCE AND SEMINAR PRESENTATIONS

North American Summer Meeting of the Econometric Society (Nashville)	2024
Canadian Economics Association Conference (Toronto)	2024
2nd Annual Conference on the Asian and Global Economy (HKU)	2024
Midwest Macroeconomics Meetings (Clemson)	2023
Canadian Economics Association Conference (Ottawa)	2022
North American Summer Meeting of the Econometric Society (Miami)	2022
Macro Brown Bag, University of Toronto	2020 - 2024

## 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, Fortran, EViews

## REFERENCES

Diego Restuccia  
Department of Economics  
University of Toronto and NBER  
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## Abstracts

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### Openness to Foreign Firms, Industrialization and Aggregate Growth

(Job Market Paper)

This paper investigates the aggregate impact of foreign firm openness reforms on resource misallocation, structural transformation, and aggregate productivity in Vietnam. The analysis uses firm-level data and a multi-sector general equilibrium model that features firm heterogeneity in distortions and productivity. Empirically, I document two key findings associated with the reforms. First, there is evidence of significant reductions in key measures of distortions towards foreign firms and improvements in their productivity over time. Second, by exploiting the staggered rollout of reforms across different locations, the paper employs the staggered difference-in-difference estimation method to provide evidence of significant “spillover” effects from manufacturing reforms on the agriculture and services sectors. Quantitatively, the reduction in distortions towards foreign firms account for 62% of the observed productivity growth in the manufacturing sector and 40% of the observed aggregate productivity growth. “Spillover” effects play a crucial role, contributing approximately 70% of the overall aggregate impact of the reforms.

### 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 aggregate productivity differences across nations using cross-country firm-level data and a quantitative model of production heterogeneity with distortions featuring operation decisions (selection) and productivity-enhancing investments (technology). Empirically, less developed countries feature higher distortions and larger dispersion in firm-level productivity, mostly resulting from the higher prevalence of unproductive firms. Quantitatively, measured cross-country differences in the elasticity of distortions with respect to firm productivity generate the bulk of empirical patterns and over two-thirds of cross-country labor productivity differences. Both selection and technology channels are important. Variation in static misallocation also plays an important role, albeit smaller.

# Lobbying, Innovation and Aggregate Productivity

with Nasir Hossein Dad (University of Toronto)

We investigate the interaction between corporate lobbying and innovation to assess their effects on aggregate productivity, firm growth, and social welfare in the United States. Empirically, we find that lobbying and innovation are substitutes at the firm level. We develop a general equilibrium model of innovation that incorporates endogenous lobbying and firm heterogeneity. Our quantitative results demonstrate that lobbying reduces innovation, aggregate productivity, and welfare at the aggregate level. Specifically, our model suggests that eliminating lobbying would result in a welfare gain of 13%. We use the model to evaluate the aggregate impact of U.S. Senator Elizabeth Warren's proposed excess lobbying tax. Our findings indicate that the proposal would improve aggregate welfare by 5%.