

Luming Chen

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EDUCATION

University of Wisconsin-Madison, Madison, WI

Ph.D. in Economics

2022-2024 (*Expected*)

Cornell University, Ithaca, NY

Ph.D. in Economics, transferred to UW-Madison with Committee Chair

2018-2022

Peking University, Beijing, China

M.A. in Economics

2015-2018

B.A. in Economics (Double Major) and B.S. in Biology with distinction

2011-2015

RESEARCH INTERESTS

Industrial Organization, Environmental and Energy Economics, Productivity

WORKING PAPERS

1. "[The Dynamic Efficiency of Policy Uncertainty: Evidence from the Wind Industry](#)." Job market paper. 2023.

Abstract: This paper investigates the dynamic efficiency of policy uncertainty in the US wind energy industry. Policy expiration embedded in the Production Tax Credit induced uncertainty among wind farm investors and expedited investment. I compile a comprehensive data set of the investment, production, and long-term contracts on the US wind energy market. I find significant bunching in the number of new wind farms at the expiration dates of the short policy windows and a large mismatch among wind farm investment timing, continuously improving upstream turbine technology, and evolving demand for wind energy. I then develop an empirical model featuring the bilateral bargaining of long-term contracts, endogenous buyer matching, and dynamic wind farm investment under policy uncertainty. Model estimates reveal that a lapse in policy extension reduced the perceived likelihood of policy renewal to 30 %, and counterfactual simulations demonstrate that removing policy uncertainty postpones the entry of 53 % of the affected cohort by 3.5 years. Removing policy uncertainty increases the net social surplus by 5.9 billion dollars and could save fiscal expenditure without sacrificing social welfare.

2. “Entry Deregulation, Market Turnover, and Efficiency: China’s Business Registration Reform,” with Panle Jia Barwick, Shanjun Li, and Xiaobo Zhang. 2022. **Review of Economics and Statistics**, revise and resubmit.

Abstract: Although entry regulation is ubiquitous across countries, comprehensive evaluations on how such regulations affect firm dynamics and productivity are lacking. We examine a 2012-2014 pilot program in Guangdong (which later became a national policy) that was designed to reduce firm registration costs and encourage entrepreneurial activities. We leverage the pilot program’s staggered implementation to address the key identification challenge of policy endogeneity. Using administrative data on firms’ business registrations and annual reports from 2008-2016, as well as field surveys, our analysis shows that the reform increased firm entry by 25 % and firm exit by 8.7 % in the manufacturing sector. Altogether, these newly registered firms as a result of the entry deregulation increased Guangdong’s total employment and revenue in the manufacturing sector by 2.5 % and 1.8 %, respectively. In addition, the productivity of post-reform entrants was 1.0 % higher than the productivity of pre-reform entrants, likely due to the combination of relaxed financial constraints and more intense competition.

PUBLICATION

“The Welfare Effects of Vertical Integration in China’s Movie Industry,” with Lisa Xuejie Yi and Chuan Yu. 2023. **American Economic Journal: Microeconomics**, forthcoming.

Abstract: This paper investigates the welfare effects of vertical integration in China’s movie industry. We leverage data covering all theaters and 423 popular movies in China during 2014-2018. We find no evidence of integrated movies being foreclosed to rival theaters. Integrated theaters show their movies for longer, allocate more screenings, and charge lower prices. We estimate a model of consumers’ demand and theaters’ screening decisions. Integrated theaters internalize a substantial fraction of their upstream companies’ profits. Vertical integration both mitigates distortions from revenue-sharing contracts and steers demand favoring integrated movies. Overall, vertical integration increases consumer surplus with considerable heterogeneity across markets.

WORK IN PROGRESS

1. “Market Efficiency under Tax Kinks: Evidence from Taiwan,” with Yu-Chun (Elisa) Cheng and Hsing-Wen Han.
2. “The Welfare Effects of the Environmental Regulation in China,” with Panle Jia Barwick and Shanjun Li.

RESEARCH EXPERIENCE

Research Assistant for Panle Jia Barwick, UW-Madison	2022
Research Assistant for Julieta Caunedo, Cornell University	2020
Research Assistant for Panle Jia Barwick and Shanjun Li, Cornell University	2019

TEACHING EXPERIENCE

Introductory Macroeconomics, Cornell University	Spring 2022
Industrial Organization and Competitive Strategy, Cornell University	Fall 2021
Introductory Microeconomics, Cornell University	Fall 2021, Spring 2021, Fall 2020
CICER Winter Research Program, Cornell University	Winter 2021
Game Theory and Information Economics, Peking University	Spring 2018
Advanced Macroeconomics I (graduate), Peking University	Fall 2016
Intermediate Econometrics, Peking University	Spring 2015

HONORS, SCHOLARSHIPS, AND FELLOWSHIPS

Christensen Graduate Fellowship in Empirical Economics, UW-Madison	2023
Student Research Grants Competition (SRGC) Award, UW-Madison	2023
Ernest Liu Family Outstanding Teaching Award, Cornell University	2021
Tapan Mitra Memorial Prize for Third-year Paper, Cornell University	2021
Ernest Liu '64 Ta-Chung and Ya-Chao Liu Memorial Fellowship, Cornell University	2019
Sage Fellowship, Cornell University	2018
University Fellowships/Awards, Peking University	2012-2016

CONFERENCE PRESENTATIONS

2023

Camp Resources XXIX, Asia Meeting of the Econometric Society, North American Summer Meeting of the Econometric Society, Harvard Climate Economics Pipeline Workshop, Northeast Workshop on Energy Policy and Environmental Economics, AERE Annual Summer Conference, International Industrial Organization Conference

Before 2022

ASSA Annual Meeting (2022, Virtual), North East Universities Development Consortium (2021, Virtual), CES Annual Conference (2021, Virtual), China Meeting of the Econometric Society (2018)

REFeree SERVICE

The Journal of Industrial Economics ($\times 3$), China Economic Review ($\times 3$), International Journal of Industrial Organization, Resource and Energy Economics

OTHER ACTIVITIES

Student Organizer, Econometrics Reading Group, Cornell University	2022
Mentor, Field of Economics Mentorship Program, Cornell University	2020-2022
Co-Organizer, Student IO Reading Group, Cornell University	2019-2021

LANGUAGES AND SKILLS

Languages: English (fluent) and Mandarin (native)
Software: STATA, MATLAB, R, SQL, and L^AT_EX

REFERENCES

Panle Jia Barwick (Chair)

The Todd E. and Elizabeth H. Warnock Chair
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Jean-François Houde

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Shanjun Li

Kenneth L. Robinson Chair
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