

Qingyuan Chai

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Boston University, Department of Economics

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Education

Ph.D. Economics, Boston University, 2025 (expected)

B.A. Mathematical Economics, Fudan University, 2019

Fields

Labor Economics, Development Economics

Publications

“‘Going global’ and FDI inflows in China: ‘One Belt & One Road’ initiative as a quasi-natural experiment.” *The World Economy*, 42(6) (2019): 1654-1672. (with Changyuan Luo and Huiyao Chen)

“US Outward FDI: Is China a Special Host Country?” *Journal of Financial Research* (in Chinese), 462(12) (2018): 72-90. (with Chengxue Mao and Changyuan Luo)

Working Papers

“Obsolescence Rents: Teamsters, Truckers, and Impending Innovations” (with Costas Cavounidis, Kevin Lang, and Raghav Malhotra), NBER Working Paper No.31743

“Gender Imbalance, Marriage Stability, and Divorce Rate: Evidence from China” (with Shiyi Sun and Yuan Zhang)

“World Bank vs. China: Comparing the Impacts of Their Development Projects in Africa” (with Zhongyi Tang)

Work in Progress

“Housing Price, Internal Migration, and Intergenerational Mobility” *Job Market Paper*

“Hope or Trap: Navigating the Dual Impact of Cotton Cultivation on Rural Girls’ Development” (with Fei Teng and Yuan Zhang)

“Siblings and Migration”

Presentations

NBER conference on Fertility and Declining Population Growth in High-Income Countries 2024 (scheduled)

Society of Economics of the Household (SEHO) 2024 (scheduled)

The Northeast Universities Development Consortium (NEUDC) 2023
Asia Meeting of the Econometric Society (AMES) 2023

Research Experience

Kevin Lang (Boston University), 01/2022-present
Linh T. Tô (Boston University), 12/2020-01/2021
Dilip Mookherjee (Boston University), 05/2021-08/2021
Frank Schilbach (MIT), 05/2018-09/2018
Ulrike Malmendier (UCB), 09/2017-04/2018

Referee for Academic Journal

Contemporary Economic Policy

Teaching Experience

Teaching Assistant, Behavioral Economics (Undergraduate), Fall 2020 and Fall 2021
Teaching Assistant, Introductory Macroeconomic Analysis (Undergraduate), Spring 2021

Department Service

Graduate Economics Association, Boston University, Officer 2021 - 2022
Co-organizer of Empirical Micro Reading group, Boston University, 2022-2023
Website maintainer for Theoretical Research in Development Economics (ThReD), 2022-present
Conference Coordinator for Society of Economics of the Household (SEHO) 2021

IT Skills

Stata, MATLAB, R, Python, ArcGIS, Google Earth Engine

Abstracts of Papers

Housing Price, Internal Migration, and Intergenerational Mobility

Despite the well-established documentation of intergenerational persistence, the factors driving it are not fully understood. This paper investigates the relationship between housing affordability, internal migration, and intergenerational mobility in the Chinese context. Utilizing the Housing Purchase Restriction (HPR) policy as a natural experiment and employing an instrumental variable (IV) approach, the analysis reveals that increases in housing costs decrease migration, but more advantageous parental backgrounds mitigate this effect. Consequently, children with better parental backgrounds migrate more and secure higher incomes, leading to a reduction in intergenerational mobility. These results align with a migration decision model where housing costs pose a greater

burden for individuals from less affluent backgrounds, possibly due to credit constraints. The paper sheds light on the critical need for targeted policy solutions to address the housing affordability challenges.

Obsolescence Rents: Teamsters, Truckers, and Impending Innovations

Motivated by the advent of self-driving trucks, which will dramatically reduce demand for truck drivers, we consider large, permanent shocks to individual occupations whose arrival date is uncertain. Using a bare-bones overlapping generations model, we examine an occupation facing obsolescence. Workers are compensated for entering the occupation - receiving what we dub *obsolescence rents* - with fewer and older workers remaining in the occupation. We investigate the market for teamsters at the dawn of the automotive truck as an à propos parallel to truckers themselves. As predicted by the model, as widespread adoption of trucks crested the horizon, teamster wages rose, the number of teamsters fell, and the occupation became ‘grayer’. Older workers became more likely to enter and less likely to exit work as teamsters. As permitted, but not required, by the model, the number of older teamsters grew as a fraction of older workers, a finding we replicate for seamstresses and milliners at a similar stage.

Gender Imbalance, Marriage Stability, and Divorce Rate: Evidence from China

The deficit of eligible men or women in a regional marriage market is a commonly observed phenomenon stemming from factors such as “Missing Girls” at birth, immigration, and higher mortality rates among men due to war. However, the impact of this deficit on marriage stability remains not well understood. In this paper, using provincial, census, and household survey data in China, we find that a higher male-to-female ratio increases divorce rates. Further analyses support the hypothesis that this impact is primarily driven by married women having more options outside their marriage. The effect is more pronounced in economies with greater income inequality, where there are more wealthy prospective partners. These findings highlight the significance of gender balance in sustaining stable marriages and uncover a new contributing factor to the escalating divorce rates in China.

Hope or Trap: Navigating the Dual Impact of Cotton Cultivation on Rural Girls’ Development

This study examines the mixed effects of cotton cultivation on rural girls’ development in China. While cotton-related activities offer economic benefits, our analysis shows both positive and negative impacts on girls. Cotton planting improves basic education but limits higher education opportunities. It mitigates the “missing women” phenomenon but negatively affects rural girls’ health and cognitive and non-cognitive skills. For adult women, it delays marriage, decreases income disparity with husbands, and reduces fertility rates. The adverse effects on girls are attributed to less educational investment, poor nutrition, and increased chores. Evidence suggests low returns on post-high school education for women, leading parents to prioritize short-term economic gains. The findings highlight the need for policy shifts beyond job creation, advocating for comprehensive changes to address gender discrimination and promote the holistic development of rural girls.

Siblings and Migration

This study investigates how the absence of reliable elderly support limits migration in developing countries. Utilizing the occurrence of first-born twins as a natural experiment in fertility demonstrates that an increased number of siblings boosts migration prospects, especially when parents are older or require assistance with daily tasks. The findings indicate that in the absence of adequate social security systems, fertility-reducing policies also impact migration patterns. This dynamic may diminish the

positive effects on child quality from lower fertility rates, resulting in human capital misallocation.

The World Bank and China: Comparing the Impacts of Their Development Projects in Africa

While growing literature has documented the distinct characteristics of aid projects from China and traditional donors, there remain gaps in understanding their differences in aid effectiveness. To fill this gap, this paper compares the impacts of Chinese and World Bank development projects on African local economies. Leveraging detailed, geocoded project data and a stacked difference-in-differences identification strategy, we find that Chinese infrastructure projects significantly increase nighttime light in the recipient regions, and the effects persist over time, while World Bank projects show no significant impact. Factors highlighted in the aid effectiveness literature, such as location and project-specific characteristics, could not fully explain the differences in project impacts. Furthermore, we rule out three potential mechanisms behind these differences: complementarity effects from follow-up projects, political favoritism, and implementation by Chinese companies. Finally, by utilizing Demographic and Health Surveys (DHS) data, we establish that both World Bank and Chinese infrastructure projects positively influence women’s education attainment.

‘Going global’ and FDI inflows in China: ‘One Belt & One Road’ initiative as a quasi-natural experiment

This study examines the short-term effect of the “One Belt & One Road” (OBOR) initiative on China’s foreign capital utilization, using 2003–2015 provincial data and a difference-in-differences approach. It identifies a significant decline in foreign capital use in OBOR provinces compared to non-OBOR areas after the initiative has been proposed. The analysis reveals that the initiative not only transcends factors and project movement but also affects foreign capital beyond traditional “going global” measures. The initiative’s adverse effects are most pronounced in economically underdeveloped OBOR provinces with fiscal strain and a high state-owned sector presence. The short-term negative effects suggest that OBOR may prompt resource competition and signal a governmental shift towards prioritizing outward investments over attracting foreign capital.

US Outward FDI: Is China a Special Host Country?

This study assesses whether China is a special host country of US FDI, analyzing US investments across 156 countries. Findings indicate that overall, US FDI in China aligns with expected levels. In manufacturing, however, US investment exceeds anticipated values, driven by China’s market size, economic development, growth, and openness. Yet, institutional distance more significantly hinders US FDI in China’s manufacturing compared to other nations. The service sector, in contrast, underperforms in attracting US FDI. The perceived shortfall in US FDI in China is attributed to an overemphasis on positive drivers—like market size and growth—while neglecting barriers such as institutional and cultural distances, and the untapped potential of the service sector, negatively affecting overall US FDI.