

# Sifan Xue

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## Office Contact Information

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Julis Romo Rabinowitz Building  
Department of Economics  
Princeton University  
Princeton, NJ 08544

## Graduate Studies

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<b>Princeton University</b>	<i>2018-present</i>
PhD Candidate in Economics	
Expected Completion Date: June 2024	

## REFERENCES

Professor Ezra Oberfield Department of Economics Princeton University 609-258-3846 <a href="mailto:edo@princeton.edu">edo@princeton.edu</a>	Professor Mark Aguiar Department of Economics Princeton University 609-258-4006 <a href="mailto:maguiar@princeton.edu">maguiar@princeton.edu</a>
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## Prior Education

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<b>Fudan University</b>	<i>2013-2018</i>
B.A. in Economics	
<b>Massachusetts Institute of Technology</b>	<i>2016-2017</i>
Visiting Undergraduate	

## Fields

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PRIMARY	International Trade
SECONDARY	Macroeconomics

## Job Market Paper

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“Trade Wars with FDI Diversion.” 2023.

*I study the impacts of trade policies on trade and welfare by connecting foreign direct investment (FDI) to trade, as highlighted by the China-US trade war. Using the Trump tariffs, I show that countries with greater potential to substitute for Chinese exports to the US also experience higher FDI growth, which I term as FDI diversion. Such FDI diversion accounts for, on average, 29% of a country's production capacity adjustments in response to the Trump tariffs. I document the large heterogeneity of FDI responses that can be partly explained by observable country characteristics. I build a multi-country general equilibrium model with two main features and quantitatively evaluate the Trump tariffs. First, FDI diversion due to trade policies leads to profit shifting and changes the producers' productivity distribution, bringing large aggregate and distributional welfare implications. Second, heterogeneous bilateral FDI elasticities are important to account for the pattern of FDI diversion for the quantitative effects of the Trump tariffs.*

## Working Papers

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“Scalable Intangible: to Buy or to Build?” With Anshu Chen, Jihong Song. 2023.

“International Trade, Technology Diffusion, and Economic Growth”. 2023.

## Research Experience

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2021    Research Assistant to Prof. Ezra Oberfield

## Teaching

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*Princeton*    ECO 416: Fintech (TA, Fall 2020, 2021)

ECO 461: Entrepreneurial Finance, Private Equity and Venture Capital  
(TA, Spring 2020, 2021, 2022)

ECO 494: Chinese Financial and Monetary Systems (TA, Fall 2022, 2023)

## Fellowships

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Graduate Economics Fellowship, Princeton University *2018–present*

International Economics Section Summer Fellowship, Princeton University *2020–2023*

## Languages

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Chinese (native), English

*Last updated: Oct. 2023*