

Sifan Xue

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| Placement Director | Owen Zidar | ozidar@princeton.edu | 609-258-2791 |
| Graduate Administrator | Laura Hedden | lhedden@princeton.edu | 609-258-4006 |

Office Contact Information

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Department of Economics
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Graduate Studies

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

REFERENCES

| | |
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| Professor Ezra Oberfield Department of Economics Princeton University 609-258-3846 edo@princeton.edu | Professor Mark Aguiar Department of Economics Princeton University 609-258-4006 maguiar@princeton.edu |
| Professor Gene Grossman Department of Economics Princeton University 609-258-4823 grossman@princeton.edu | Professor Richard Rogerson Department of Economics Princeton University 609-258-4839 rdr@princeton.edu |

Prior Education

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

Fields

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| PRIMARY | International Trade |
| SECONDARY | Macroeconomics |

Job Market Paper

“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 and the quantitative effects of the Trump tariffs.

Working Papers

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

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

Research Experience

2021 Research Assistant to Prof. Ezra Oberfield

Teaching

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

Graduate Economics Fellowship, Princeton University *2018–present*

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

Languages

Chinese (native), English

Last updated: Oct. 2023