

Xianglong (Sean) Kong

CONTACT INFORMATION

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RESEARCH INTERESTS

International Trade, Industrial Organization, Networks, Labor Economics

EDUCATION

Ph.D., Economics, University of Chicago	2020-2026 (Expected)
M.A., Economics, University of Chicago	2017-2018
B.S., Economics, CUFE, China	2013-2017

GRANTS, FELLOWSHIPS, AND AWARDS

Grant from Industrial Organization Initiative, Becker Friedman Institute	2022
Lee Prize (Macroeconomics), University of Chicago	2021
Bernie Munk Fellowship, University of Chicago	2020-2026
Economics Fellowship, University of Chicago	2020-2026
Outstanding Undergraduate Student, CUFE, China	2017
Outstanding Undergraduate Thesis, CUFE, China	2017

WORK EXPERIENCE

Research Assistant for Professor Esteban Rossi-Hansberg	Sep. 2022 - Present
Research Assistant for Professor Felix Tintelnot	Sep. 2021 - Present
Research Professional for Professor Felix Tintelnot	Feb. 2018 - Mar. 2021
Research Professional for Professor Lawrence D. W. Schmidt	Feb. 2018 - Jul. 2019

TEACHING EXPERIENCE

Empirical Analysis II, TA for Professor Lars P. Hansen	Winter 2022
International Economics, TA for Professor Felix Tintelnot	Winter 2023
Topics in International Trade, TA for Professor Felix Tintelnot	Spring 2023

WORKING PAPERS

“Endogenous Production Networks with Fixed Costs,” with Emmanuel Dhyne, Ken Kikkawa, Magne Mogstad, and Felix Tintelnot, February 2023, Revisions requested at *Journal of International Economics*

Abstract: This paper presents a tractable model of endogenous production networks with fixed costs associated with the formation of links between firms. The model consists of a finite number of firm types producing differentiated products. Each firm is characterized by firm-specific parameters describing its CES production function, firm-specific domestic and foreign demand shifters, and a firm-specific set of potential suppliers and buyers. We consider versions of the model in which either the buyer or the supplier initiates the formation of links, and versions in which the production network can be cyclic or acyclic. Our main theoretical result is that the closed economy equilibrium is unique if the set of feasible networks consists only of networks that are acyclic and the buyer initiates the link formation while having full bargaining power in price negotiations with the supplier. We provide examples of multiple equilibria if the supplier initiates the link formation in both cyclic and acyclic feasible networks or if the buyer initiates the link formation in a cyclic production network. We take the acyclic production network model to Belgian data on firm-to-firm production

networks and show that it approximates well the salient features of the network. The endogenous network model generates substantial churn in domestic firm-to-firm linkages in response to trade shocks. However, the endogenous network model generates only moderately different welfare changes compared to a model with fixed linkages, suggesting that exogenous production networks can approximate the welfare response to trade shocks reasonably well.

“Doing Business Far From Home: Multinational Enterprises and Labor Market Outcomes in Saudi Arabia,” with Alessandra L. González, April 2022

Abstract: We study how foreign firms strategically adapt to their local environment and make hiring decisions in a host country with differing deep-seated cultural norms. Using unique employer-employee matched data of the private sector in Saudi Arabia, we find that foreign firms hire a larger share of Saudis and pay a firm premium of 9% for Saudis and 16% for non-Saudis. Our foreign firm premium estimates are robust to workers’ initial wage and firms’ country of origin, and persist even for foreign firms coming from countries with high Muslim share and low female labor force participation (FLFP). Female workers also receive a higher wage premium at foreign firms but are not hired more intensively compared to local firms, even for foreign firms coming from countries with greater FLFP. We propose a model in which foreign and domestic firms differ in their productivity levels and amenities offered to each type of worker. We find that amenities are important in understanding foreign firms’ wage setting and worker hiring decisions.

CONFERENCE
PRESENTATIONS
AND SEMINARS

2022: European Winter Meeting of the Econometric Society, Chicago
2021: Chicago Trade Working Group

PROGRAMMING
PROFICIENCY

Stata, Matlab, Julia, R, Python; L^AT_EX, LyX