

Zhang Chen

zhangc@princeton.edu ◦ www.zhangchenecon.com ◦ 609-356-3831

Placement Director Gianluca Violante violante@princeton.edu 609-258-4003

Graduate Administrator Laura Hedden lhedden@princeton.edu 609-258-4006

Office Contact Information

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

Graduate Studies

Princeton University *2017-present*
PhD Candidate in Economics
Expected Completion Date: June 2023

REFERENCES

Professor Ezra Oberfield
Department of Economics
Princeton University
609-258-3846
edo@princeton.edu

Professor Gene Grossman
Department of Economics
Princeton University
609-258-4823
grossman@princeton.edu

Professor Stephen Redding
Department of Economics
Princeton University
609-258-4016
reddings@princeton.edu

Professor Richard Rogerson
Department of Economics
Princeton University
609-258-4839
rdr@princeton.edu

Prior Education

Nanyang Technological University (NTU), Singapore *2013-2017*
B.Sc. in Mathematics and Economics, *First Honor*

Research Interests

PRIMARY Macroeconomics, International Trade
SECONDARY Knowledge Diffusion, Development

Job Market Paper

“Economic Growth and the Rise of Large Firms”

Rich and poor countries differ in the size distribution of business firms. In this paper, I document that the right tail of the firm size distribution systematically grows thicker with economic development, both within countries over time and across countries. I develop a simple idea diffusion model with both endogenous growth and an endogenous firm size distribution. The economy features an asymptotic balanced growth path. Along the transition, Gibrat’s law holds at each date, and the right tail of the firm size distribution becomes monotonically thicker. The firm size distribution converges to Zipf’s distribution. Despite its parsimony, the model provides a good quantitative fit to the US GDP per capita growth. I prove that, in a general class of idea diffusion models, Gibrat’s law holds if and only if the right tail of the firm size distribution grows thicker. The simple model is the only one consistent with Gibrat’s law and a thickening tail under common functional form assumptions. Finally, I show that policies favoring large firms can improve welfare due to the externality associated with idea diffusion.

Other Research Papers

1. “Export by Cohort” With Qing Huang.
2. “Knowledge Diffusion Through Networks” With Treb Allen, Kamran Bilir and Christopher Tonetti

Research Experience

2020 Research Assistant for Professor Ezra Oberfield
2019 Research Assistant for Professor Kamran Bilir
2018 Research Assistant for Professor Markus Brunnermeier

Teaching

Princeton ECO518 Graduate Econometrics II
 TA for Prof. Plagborg-Møller, Spring 2021

 ECO353 UG International Macroeconomics
 TA for Prof. Gourinchas, Spring 2020

 ECO503: Graduate Macroeconomics
 TA for Prof. Rogerson and Prof. Rossi-Hansberg, Fall 2019

 ECO981: Junior Independent Work
 TA for Prof. Zaidi, AY 2021

Presentations

2022 Princeton, ASSA 2022 Annual Meeting (Poster)
2021 Princeton, CCER SI (Peking University)

Honors and Awards

International Economics Section Summer Fellowship, Princeton	<i>2019 - 2021</i>
Princeton University Graduate Fellowship	<i>2017 - Present</i>
Best Graduation Thesis in Mathematics and Economics, NTU	<i>2017</i>

Languages

Chinese (native), English

Last updated: November 2022