Zexi ZHOU

zxzhou@hku.hk https://zexizhou.weebly.com
1120 KKL, HKU, Pokfulam Road, Hong Kong SAR

EDUCATION

The University of Hong Kong **Sep. 2019 –**
Ph.D. Candidate in Economics (Advisor: Prof. Hongsong Zhang) *Hong Kong SAR, China*

Wuhan University **Sep. 2016 – Jun. 2019**
Master of Economics (Advisor: Prof. Danyang Xie) *Wuhan, China*

Huazhong University of Science and Technology **Sep. 2012 – Jun. 2016**
Bachelor of Economics *Wuhan, China*

RESEARCH INTERESTS

General Interests: Empirical Industrial Organization, Trade, and Urban Economics
Special Focus: Firm Dynamics, Production Network, Agglomeration, and Industrial Policy

WORKING PAPERS

"Industrial Clustering with Production Linkages: Micro Evidence and Aggregate Implications in China" with Hongsong Zhang
Presentations: The 2nd Summer Meeting in Urban Economics China (PKU), the 18th North American Meeting of the Urban Economics Association (Georgetown University), the Econometric Society Australia Meeting 2024* (Monash University), CUFE, HUST, JNU
Abstract: Firms with vertical production linkages tend to co-locate and form clusters. To investigate this phenomenon, this paper constructs a novel linkage-based clustering index using firm-level data and the national Input-Output (IO) table in China, and examines its impact on firm performance and regional industrial growth. Our findings reveal that vertical agglomeration arises through multiple channels: firms in upstream clusters benefit from cost advantages due to reduced input prices, while firms in downstream clusters experience higher productivity and markups driven by production externalities and demand enhancement. Additionally, both upstream and downstream clusters promote firm innovation through vertical knowledge spillovers. Furthermore, vertical clusters (characterized by the concentration of firms with cross-industry linkages) significantly attract related new entries, whereas horizontal clusters (characterized by the concentration of firms within the same industry) deter similar firms from entering local markets due to competition effects. Beyond these extensive margins, clustering with input-output linkages accounts for 14% of the variation in local value-added change. Ignoring input-output linkages can substantially underestimate the total gains from clustering and overlook the heterogeneous effects of agglomeration based on different linkages.

WORK-IN-PROGRESS

"Special Economic Zones and Regional Economic Growth with Production Networks" with Hongsong Zhang
Abstract: This study provides novel evidence on how Development Zones (DZs) have shaped the manufacturing geography and regional economic growth in China. Utilizing comprehensive geo-coded data on new firm registrations and DZ policies with industry-specific targets from 1979 to 2019, we investigate the impact of the Development Zone Targeting Industry Policy on local entrepreneurial activities in the manufacturing sectors through direct and vertical spillover channels. Our staggered difference-in-differences analysis reveals that the program increased the number of new entrants by 5% and their scale by 32%, fostering policy-induced clusters of targeted industries. This direct effect is primarily driven by reduced entry costs due to place-based targeting policies. For non-targeted industries, the DZ policy also enhanced the growth of untreated upstream and downstream entrants associated with the targeted industries, despite not receiving direct tax exemptions, subsidies, or land discounts. The input-output linkages across industries play a non-negligible role in connecting place-based industrial policies to enhanced local economic growth.

PUBLICATIONS

In Chinese: "The Historical Development and Future Challenges of Economic Growth Theory: From the Perspective of the Evolution of Production Functions", with Danyang Xie, *Economic Review*, 2019(03):30-39.

FELLOWSHIPS AND AWARDS

Third Prize, National Academic Conference for Graduate Students in Economics **Jun 2024**
Huazhong University of Science and Technology *Wuhan, China*

Postgraduate Student Scholarship **2019 – 2023**
The University of Hong Kong *Hong Kong SAR, China*

FBE PhD Entrance Scholarship **2019 – 2020**
The University of Hong Kong *Hong Kong SAR, China*

Outstanding Postgraduate Students Awards **2019**
Wuhan University *Wuhan, China*

National Encouragement Scholarship **2015**
Huazhong University of Science and Technology *Wuhan, China*

TEACHING EXPERIENCE

Teaching Assistant for Prof. Hongsong Zhang **2024 Spring**
Senior seminar in economics and finance (ECON4200) *Hong Kong SAR, China*

RESEARCH ASSISTANCE EXPERIENCE

Reseach Assistant for Prof. Heiwai Tang **Jun – Aug, 2020**
The University of Hong Kong *Hong Kong SAR, China*

Reseach Assistant for Dr. Grace Li (IMF economist) **2016 – 2018**
Wuhan University *Wuhan, China*

CONFERENCE AND ACADEMIC ACTIVITIES

The 18th North American Meeting of the Urban Economics Association (UEA) **Sep 2024**
Georgetown University *Washington, D.C., U.S*

The 2nd Summer Meeting in Urban Economics, China **Aug 2024**
Peking University *Beijing, China*

The 2nd Xiangzhang Industrial Economics Forum **Jun 2024**
Jinan University *Guangzhou, China*

The 7th China Opening and Development Research Forum **May 2024**
Huazhong University of Science and Technology (HUST) *Wuhan, China*

The 4th China Industrial Economists Forum **Jun 2024**
Central University of Finance and Economics (CUFE) *Beijing, China*

UEA Summer School **Jun 2023**
McGill University and Université du Québec à Montréal (UQAM) *Montreal, Canada*

CUHK Summer School of Asia in the Global Economy **Jul 2024**
Chinese University of Hong Kong (CUHK) *Hong Kong, China*

SKILLS

Programming: STATA, MATLAB, R, ArcGIS, LaTex
Languages: English (fluent). Mandarin (native)