YIMING CAO

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EDUCATION

Ph.D., Economics, Boston University, Boston MA, May 2022 (expected)

Dissertation Title: Three Essays in Development Economics and Political Economy

Dissertation Committee: Raymond Fisman, Dilip Mookherjee, Siddharth George and Samuel

Bazzi

M.A., Economics, Boston University, Boston MA, 2016

B.A., Economics, Fudan University, Shanghai, China, 2014

FIELDS OF INTEREST

Development Economics, Political Economy, Economic History

JOB MARKET PAPER

"The Social Costs of Patronage Ties: Lessons from the 2008 Sichuan Earthquake", September 2021.

WORKING PAPERS

"Rebel on the Canal: Disrupted Trade Access and Social Conflict in China, 1650-1911", (with Shuo Chen), September 2021, Conditionally Accepted, *American Economic Review*.

"SOEs and Soft Incentive Constraints in State Bank Lending", (with Raymond Fisman, Hui Lin and Yongxiang Wang), Accepted, *American Economic Journal: Economic Policy*.

"Herding, Warfare, and a Culture of Honor", (with Benjamin Enke, Armin Falk, Paola Giuliano and Nathan Nunn), September 2021, NBER Working Paper 29250, *submitted*.

PUBLICATIONS

"Pollution Control in China: Prefecture Level Evidence", (in Chinese, with Fang Wang and Shuo Chen) *China Economic Quarterly*, (2019) 19-1: 81-100.

WORK IN PROGRESS

"Social Learning in Policy Making: A Deep Learning Approach"

PRESENTATIONS

2022: ASSA Annual Meeting⁺ (scheduled)

2021: NEUDC (scheduled); Zurich; Young Economist Symposium (Princeton); Econometric Society

China Meeting; Econometric Society China Meeting; Chinese Economists Society Annual

Conference; the 9th Biennial Conference on Transition and Economic Development (Fudan);

Applied Young Economist Webinar (Warwick); Inaugural China Research Group Doctoral

Symposium (USC); Quantitative China Studies Seminar (NYU); AMIE workshop in Applied Microeconomics

2020: NBER Political Economy Program Meeting

2018: ASSA Annual Meeting⁺

2017: NBER Summer Institute (National Security)

2016: NEUDC, NBER Chinese Economy Working Group Meeting*, Harvard, Fudan

(*: poster, *: coauthor presenting)

FELLOWSHIPS AND AWARDS

Gregory Chow Best Paper Award, The Chinese Economists' Society, 2021
Rosenstein-Rodan Prize for the Best Graduate Student Paper on Development Economics, 2021
The Manual A. Abdala Fund for Economics Research Fieldwork (\$8,500), 2019
Dean's Student Fellowship, Boston University, 2016-2020
M.A. Prize for Academic Excellence, Boston University, 2015
Outstanding Graduates, Fudan University, 2014

WORK EXPERIENCE

Research Assistant for Raymond Fisman, Boston University, 2017-2021 Research Assistant for Nathan Nunn, Harvard University, 2016-2017 Research Assistant for Samuel Bazzi, Boston University, 2015-2016 Research Assistant for Shuo Chen, Fudan University, 2012-2014

REFEREE EXPERIENCE

Quarterly Journal of Economics, Review of Economics and Statistics, American Economic Journal: Applied Economics, China Economic Quarterly

TEACHING EXPERIENCE

Teaching Assistant, Empirical Economics (undergraduate), Boston University, Fall 2019

DEPARTMENT SERVICE

Officer, Graduate Economics Association, Boston University, 2018-2019

LANGUAGES

Chinese (native), English (fluent)

COMPUTER SKILLS: STATA, MATLAB, LaTeX, Python and ArcGIS

REFERENCES

Professor Raymond	Professor Dilip	Professor Siddharth
Fisman	Mookherjee	George
Department of Economics	Department of Economics	Department of Economics
Boston University	Boston University	Boston University
rfisman@bu.edu	dilipm@bu.edu	segeorge@bu.edu

Professor Samuel	Professor Nathan	
Bazzi	Nunn	
Department of Economics	Department of Economics	
UCSD	Harvard University	
sbazzi@ucsd.edu	nnunn@fas.harvard.edu	

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The Social Costs of Patronage Ties: Lessons from the 2008 Sichuan Earthquake (Job Market Paper) This paper examines the social influence of the patron-client connections in government bureaucracies. I provide empirical evidence that these connections create social vulnerabilities that magnify the impact of negative shocks. The study is situated in the context of the devastating 2008 Sichuan earthquake, which offers an opportunity to bring to light vulnerabilities that remain invisible in most states of the world. Using an original dataset that covers 1,065 buildings in the quake-affected area, I find that buildings constructed when the county officials had the same hometown as their prefectural leaders are 13 percentage points (83 percent) more likely to collapse relative to the no-connection benchmark. I find suggestive evidence that the poorer building quality likely reflects the lack of building code enforcement by connected officials. Aggregated damage statistics at the county level suggest that one additional year of having a connected official is associated with an 8 percent increase in mortality and a 3 percent increase in direct economic loss from the earthquake. These findings add to the long-standing debate whether patronage (and corruption more broadly) is socially detrimental by highlighting a massive yet latent social cost resulting from the patron-client relationships between government officials.

Rebel on the Canal: Disrupted Trade Access and Social Conflict in China, 1650-1911 (with Shuo Shen), R&R at American Economic Review

This paper examines the effects of the closure of China's Grand Canal --- the world's largest and oldest artificial waterway --- which served as a permanent shock to regional trade access. Using an original dataset covering 575 counties over 262 years, we show that the canal's closure led to social turmoil that engulfed North China in the nineteenth century. Counties along the canal experienced an additional 126% increase in rebelliousness after the canal's closure relative to their non-canal counterparts. We explore several prominent mechanisms that potentially explain our results and find the most support for disrupted trade access, especially in urban areas. Our findings thus highlight the important role that continued access to trade routes plays in reducing conflict --- a classic conjecture that has rarely been directly tested in a causal context.

SOEs and Soft Incentive Constraints in State Bank Lending (with Raymond Fisman, Hui Lin, and Yongxiang Wang), conditionally accepted by American Economic Journal: Economic Policy

We study how Chinese state bank managers' lending incentives impact lending to state-owned enterprises. We show lending quantity increases and quality decreases at month's end, indicating monthly lending targets that decrease lending standards. Increased quantity comes from both SOEs and private lending, whereas decreased quality is from only SOEs, which continue to receive loans even after prior defaults (particularly at month's end). We suggest that SOE lending may thus be beneficial for state bank managers, who lend to delinquent state enterprises to meet targets, which in turn may exacerbate SOEs' soft budget constraints.

Herding, Warfare, and a Culture of Honor: Global Evidence (with Benjamin Enke, Armin Falk, Paola Giuliano, and Nathan Nunn), submitted

According to the widely known "culture of honor" hypothesis from social psychology, traditional herding practices have generated a value system conducive to revenge-taking and violence. We test the economic significance of this idea at a global scale using a combination of ethnographic and folklore data, global information on conflicts, and multinational surveys. We find that the descendants of herders have significantly more frequent and severe conflict today, and report being more willing to take revenge in global surveys. We conclude that herding practices generated a functional psychology that plays a role in shaping conflict across the globe.

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