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YIMING CAO

Department of Economics
Boston University
Cell: (617) 650-6069
Email: yiming@bu.edu
Website: <http://yimingcao.com>

EDUCATION

Ph.D., Economics, Boston University, Boston, MA	2016 - 2022 (expected)
M.A., Economics, Boston University, Boston, MA	2014 - 2016
B.A., Economics, Fudan University, Shanghai, China	2010 - 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”

WORKING PAPERS

“Rebel on the Canal: Disrupted Trade Access and Social Conflict in China, 1650–1911”, (with Shuo Chen), R&R at *American Economic Review*
“SOEs and Soft Incentive Constraints in State Bank Lending”, (with Raymond Fisman, Hui Lin, and Yongxiang Wang), conditionally accepted at *American Economic Journal: Economic Policy*
“Herding, Warfare, and a Culture of Honor: Global Evidence”, (with Benjamin Enke, Armin Falk, Paola Giuliano, and Nathan Nunn), NBER Working Paper No.29250, *submitted*

WORK IN PROGRESS

Social Learning in Policy Making: A Deep Learning Approach

PUBLICATION

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

CONFERENCES AND SEMINAR PRESENTATIONS

ASSA Annual Meeting (poster), scheduled	2022
The Northeast Universities Development Consortium (NEUDC), scheduled	2021
University of Zurich, scheduled	2021
Young Economist Symposium, Princeton University	2021
Econometric Society China Meeting, virtual	2021
Chinese Economists' Society Annual Conference	2021
The 9th Biennial Conference on Transition and Economic Development, Fudan University	2021
Applied Young Economist Webinar, University of Warwick	2021
Inaugural China Research Group Doctoral Symposium, University of Southern California	2021
The Fifth Quantitative China Studies Seminar, New York University	2021
AMIE 1st Workshop in Applied Microeconomics	2021
NBER Political Economy Program Meeting, virtual	2020

ASSA Annual Meeting (poster), Philadelphia, PA	2018
NBER Summer Institute, Economics of National Security	2017
The Northeast Universities Development Consortium (NEUDC), MIT	2016
Research in Economic History Workshop (Economic History Tea), Harvard University	2016
The 4th International Symposium on Quantitative History, Beijing, China	2016
NBER Chinese Economy Working Group meeting, Shenzhen, China	2016
Social Science Lab Seminar Series, Department of Economics, Fudan University	2015
Frederick S. Pardee School of Global Studies Conference, Boston University	2015

GRANTS, FELLOWSHIPS AND AWARDS

The Chinese Economists' Society Gregory Chow Best Paper Award	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

RESEARCH 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

TEACHING EXPERIENCE

Teaching Assistant for EC204 Empirical Economics, Boston University	Fall 2019
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REFeree EXPERIENCE

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

DEPARTMENT SERVICE

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

Language: Chinese (native), English (fluent)
 Computer: Stata, L^AT_EX, ArcGIS, Matlab and Python

REFERENCES

Professor Raymond Fisman Department of Economics Boston University Email: rfisman@bu.edu	Professor Dilip Mookherjee Department of Economics Boston University Email: dilipm@bu.edu	Professor Siddharth George Department of Economics Boston University Email: segeorge@bu.edu
Professor Samuel Bazzi School of Global Policy & Strategy University of California, San Diego Email: sbazzi@ucsd.edu	Professor Nathan Nunn Department of Economics Harvard University Email: nunn@fas.harvard.edu	

YIMING CAO

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 Chen, 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.