

Register  
here:



**Date: 19 April 2024 (Friday)**

**Time: 9:00 - 11:10**

**Venue: WYL314**

**Welcome to join!**

**Session 1**  
**9:00 - 9:40**



**Presenter: Ms. LEI You**  
(ECON PhD student)

Chief Supervisor: Prof. LUO Jinfeng

Co-supervisor:

Prof. WANG Yonglin, Laura

### **Market Access, Political Connections, and Firm Performance**

Political connections are commonly recognized in shaping firm performance. Yet, how such political connection effects interact with regulation politics is not well understood. During 2015-2018, a wide-ranging policy reform was launched in China, which removed market access restrictions in non-sensitive business activities for all firms, offering a unique opportunity to investigate this question. This research constructs a dataset of China's publicly listed firms, measuring political connections based on directors' previous working experience as politicians. Politically connected firms are found to be more productive in China. I then exploit the variations in the timing of reform and the strength of firm-level political connections in a DID setup. The findings suggest that politically connected firms experience adverse effects from the deregulation of market access, underscoring nuanced ways in which political connections interact with regulatory reforms. Further analyses will investigate the potential mechanisms underlying these effects.

**Session 2**  
**9:45 - 10:25**



**Presenter: Ms. GUO Yiting**  
(ECON PhD student)

Chief Supervisor: Prof. HONG Fuhai

Co-supervisors: Prof. WEI Lijia &  
Prof. SUN Xiang (WHU)

### **Language and Trade in Artificial Codes: The Role of Trade Gains**

Using a communication game between individuals endowed with different languages, this paper experimentally investigates the role of trade benefits in the formation of a common language between the two individuals, under the highly abstract trade context. We find evidence from the laboratory that the agents who benefit more from the trade are more likely to learn/adopt the opponent's language. Interestingly, trade gains also appear to incentivize senders to develop compositional languages that facilitate learning and communication efficiency.

**Session 3**  
**10:30 - 11:10**



**Presenter: Mr. LIU Mengxin**  
(ECON PhD student)

Chief Supervisor: Prof. XIAO Junji

Co-supervisor:

Prof. ZHANG Tianle

### **Protective or Procompetitive Policies? Impact of Subsidy and Competition on the Productivities of Electric Vehicles in China**

This study employs an empirical model that features both choices of electric vehicles (EVs) and production function for multi-product firms to identify the effects of EV purchase subsidy and the introduction of competition on the productivity in China's EV industry. The analysis consists of three main steps. Firstly, I estimate the model using vehicle sales and firm level input information. Second, applying counterfactual analysis, I investigate how EV subsidies affect the productivity of firms in different product categories, focusing on surviving, exiting, and entering products. Third, I investigate whether introduction of competition will result in specific changes in productivity, using Tesla's entry as the example. As Tesla entered the market in 2020, after the subsidy downgrade that occurred before that year, it is crucial to identify the relative importance of the subsidy downgrade versus Tesla's impact on productivity. Lastly, I conduct simulations to assess the overall impact of eliminating tariffs on the market and use it as a benchmark to assess the protective or procompetitive effects of subsidy and competition on firms' productivities. This study aims to provide insights into the complex dynamics of productivity changes in China's EV market, considering both policy-related factors and the entry of a major player like Tesla.