

Tuo Chen

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EMPLOYMENT

2018 - : Assistant Professor, Tsinghua University, China

EDUCATION

2012-2018: PhD Economics, Columbia University, USA
2011-2012: Ingénieur, ENSAE-ParisTech, France
2008-2011: Ingénieur, École Polytechnique, France
2004-2008: BS Electronic Engineering, Fudan University, China

RESEARCH INTERESTS

Macroeconomics, Productivity, Inequality

PAPERS

- **TFP Declines: Misallocation or Mismeasurement? (JOB MARKET PAPER)**

This paper documents the sectoral growth paths of measured total factor productivity (TFP) in southern Europe during the boom that preceded the great contraction (1996 to 2007). Using both aggregate and firm-level panel data, I show that TFP in sectors that displayed fast expansion, such as construction, dropped significantly, while in non-expanding sectors, such as manufacturing, it stayed stable. I evaluate the relevance of two alternative explanations of this phenomenon: capital misallocation (the increase in capital was directed to less productive firms) and labor quality mismeasurement (lower quality of incoming labor was not fully captured in the TFP calculation). I find that the misallocation channel is almost negligible. Moreover, worker-firm matched data shows that labor quality did deteriorate in the expanding sectors but not in the others, giving credence to the labor-quality mismeasurement hypothesis. A model featuring both the misallocation and the mismeasurement channels and calibrated to match the micro-level productivity distribution and labor quality distribution predicts that the drop in true TFP was small if labor quality is measured properly.

- **Do the Rich Know Better? - Evidence from University Endowments**

This paper studies capital return inequality among university endowments. It combines university-level data on endowment size, capital returns, and portfolio allocations into a unified data set. Using panel data regression, I show a strong impact of size on investment return. Everything else the same, the biggest endowment has a capital return 8 percent higher than the smallest endowment. However, after adjusting for risk using Sharpe ratios, the strong positive correlation turns negligible or even negative. This result suggests that the higher return of bigger endowments can be attributed to risk compensation rather than to an informational premium.

- **SOEs and China's Productivity Deceleration: Firm-level Evidence,**
with Jorge Alvarez and Grace Li

This paper documents the total factor productivity (TFP) growth path from 1998 to 2013 using both the aggregate data and the firm-level data of China. We find that the TFP growth is positive from 1998 to 2011 and then turn to flat and even negative. And careful comparison between the state-owned

enterprises (SOEs) and private firms reveals that the slowing down of TFP growth of the SOEs is the major contributor to the TFP growth reversal of the whole manufacturing sector. Moreover, we reject a possible explanation that manufacturing TFP growth slowing down may be due to the sectoral factor after the decomposition analysis.

ONGOING PROJECTS

Financial propagation, Real exchange rate and the structural change

PROFESSIONAL ACTIVITY

Invited Talks

2019: WEAI Tokyo, Hitotsubashi Institute for Advanced Study, China International Conference in Macroeconomics
2018: Singapore Management University, Chinese University of Hong Kong, CityU HK, Peking University, SEM Tsinghua, University of International Business and Economics, PBCSF Tsinghua
2017: International Monetary Fund
2016: WEAI Singapore

Referee Services

Journal of International Economics
China Economic Review

Research Assistantship

2017: Jose A. Scheinkman
Fall 2015: Stephanie Schmitt-Grohe and Martin Uribe

Teaching Experience

Summer 2016: Instructor, Graduate Level Math Camp
Summer 2015: Teaching Fellow, Graduate Level Math Camp
Summer 2014: Teaching Fellow, Graduate Level Math Camp
Fall 2016: TA, Graduate Level Math Methods (by Jushan Bai)
Spring 2016: TA, International Monetary Theory & Policy (by Stephanie Schmitt-Grohe)
Spring 2015: TA, International Monetary Theory & Policy (by Martin Uribe)
Spring, Fall 2014: TA, Financial Economics (by Rajiv Sethi)
Fall 2013: TA, Intermediate Macro (by Xavier Sala-i-Martin)

Internship

Summer 2017: International Monetary Fund
Summer 2015: Internship Central Bank of Chile
Summer 2011: Prudential Supervisory Authority, Central Bank of France

Conference Organization

Summer 2013: EconCon (now known as Young Economist Symposium) Co-organizer

AWARDS

2018: Dissertation Fellowship, Columbia University
2012 - 2017: Wueller Fellowship, Columbia University
2012 - 2017: PhD Scholarship, Columbia University

PERSONAL

Citizenship: Chinese.
Languages: Chinese (native), English (fluent), French (fluent).

REFERENCES

Martin Uribe (Advisor)

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