

Brief Research Statement

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Summary

I am an economist working on several theoretical and empirical topics in International Trade. My research relies on micro data (in particular firm data) from different countries to study the institutional and political factors that explain the causes and effects of international trade. My work can be categorized into four broad themes, namely (1) the contractual problems in international trade; (2) internationalization strategies of firms in emerging markets; (3) global value chains; and (4) the institutional and political constraints on trade. While a lot of my previous studies use Chinese data, they provide important insights about the development and policy issues in other developing nations. The specific research projects that I have been engaged in are:

1. Contractual Problems in International Trade

- Do buyers acquire foreign suppliers to alleviate the classic hold-up problems in global sourcing to developing countries (Fernandes and Tang, 2012)?
- Do intermediaries alleviate the quality problem in international trade (Tang and Zhang, 2014)?
- Is repeated interaction (relational contracts) a substitute for vertical integration in international trade as an optimal response to hold-up problems? Are long-term relationships more common in trade that is more vulnerable to hold-up (Kamal and Tang, 2015)?
- What kinds of domestic suppliers are more likely to be displaced by foreign offshoring? What lessons can we learn from studying the domestic production network about the macroeconomic effects of foreign outsourcing (Furusawa, Inui, Ito, and Tang, 2015)?

2. Internationalization Strategies of Firms in Emerging Markets

- Do new exporters learn from neighboring firms about export opportunities in new markets (Fernandes and Tang, 2014)?
- What are the implications of “learning from neighbors” for place-based industrial policy (Kasahara and Tang, 2015)?
- Do firms in emerging markets also use horizontal FDI to penetrate into new markets (Chen and Tang, 2014; Chen and Tang, 2015)?
- Why did Chinese exporters defy the norm and become more labor-intensive after exporting (Yue, Tang, and Zhang, 2014)?

3. Global Value Chains

- How did exporters in China successfully move up the global value chains since 2000? Are there any policies that are responsible for the upgrading (Kee and Tang, 2015)?
- How important are state-owned enterprises in shaping China's exports (Tang, Wang, and Wang, 2014)?

4. The Impact of Domestic Institutions and Politics on Countries' Export Performance

- Do countries' labor market institutions act as a source of comparative advantage (Tang, 2012)?
- Do international relations between countries affect their trade flows after the Second World War? How much and in what sectors (Mityakov, Tang, and Tsui, 2014)?
- Does political ideology of the ruling party shapes a country's trade policy (Tang, 2014)?

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