

PAUL D. DENG

Contact Information

Department of Economics
Brandeis University
MS 032, 415 South Street
Waltham, MA 02454-9110

Home phone: (781) 893-0228
Cell phone: (781) 775-6970
<http://people.brandeis.edu/~dengduo>
dengduo@brandeis.edu

Undergraduate Studies:

B.A., Economics, Zhengzhou Institute of Aeronautics, China, *with highest distinction*, 1998

Graduate Studies:

M.S., Economics, Baylor University, *with high distinction*, 2002

Coursework, Political Science, Baylor University, 2003-2004

Ph.D., International Economics and Finance, Brandeis University, 2004 to Present

Thesis Title: “Three Essays on China’s Productivity Growth and Technology Development in International Perspective”

Expected Completion Date: May 2009

Thesis Committee and References:

Professor Gary Jefferson (Primary Advisor)
Department of Economics
Brandeis University
(781) 736-2253, jefferson@brandeis.edu

Professor Catherine Mann (Advisor)
Department of Economics
Brandeis University
(781) 736-2233, clmann@brandeis.edu

Professor George Hall (Advisor)
Department of Economics
Brandeis University
(781) 736-2242, ghall@brandeis.edu

Professor Rachel McCulloch (Teaching Reference)
Department of Economics
Brandeis University
(781) 736-2245, mcculloch@brandeis.edu

Teaching and Research Fields:

Primary fields: Macroeconomics, Development Economics, International Economics

Secondary fields: Finance (Asset Pricing), Applied Econometrics

Teaching Experience:

Lecturer:

Spring 2007 &
2008

Fall 2008 &
Spring 2009

Lecturer, “Introduction to Economics of Development” (Undergraduate), Brandeis University
“Economy of China” (Graduate; in Chinese), co-teaching at the Fletcher School, Tufts University with Professor Gary Jefferson; assisting in preparing syllabus and reading materials.

Teaching Assistant:

Fall 2008	“Intermediate Macroeconomics” (Undergraduate), for Professor Dan Tortorice, Brandeis University
Spring 2006	“Development Strategies” (Graduate), for Professor Can Erbil, Brandeis University
Spring 2005	“Technology in Global Economy” (Undergraduate), for Professor Gary Jefferson, Brandeis University
Spring 2002	“Applied Econometrics” (Graduate), for Professor Beck Taylor, Baylor University

Research Experience and Other Employment:

2004-2008	Research Assistant for Professor Gary Jefferson on Chinese firms’ restructuring, productivity growth, R&D and innovation and energy efficiency
Summer 2007	Associate Intern, Global Macro Strategies Group of <i>PanAgora Asset Management</i> , Boston, MA
Sept.-Dec. 2006	Research Intern, Currency Research Group, <i>Advanced Research Center of State Street Global Advisors</i> (SSgA), Boston, MA
Summer 2006	Research Intern, International Active Equity Group, <i>Advanced Research Center of State Street Global Advisors</i> (SSgA), Boston, MA
Spring 2006	Consultant, Anti-Dumping Database Project, <i>World Bank</i> (supervised by Professor Chad Bown at Brandeis University)
2000-2002	Research Assistant in Health Economics for Professor Jim Henderson, Baylor University
1998-2000	Business Analyst, OOCL, China

Honors, Scholarships and Fellowships:

2004-2008	University Fellowship, Brandeis University
Summer 2006	Travel Grant, National Science Foundation, Meeting with Nobel Laureates in Economics, Lindau, Germany
2000-2003	Graduate Assistantship, Baylor University

Research Papers:

“Foreign Entry, Competition and Heterogeneous Growth of Firms: Do We Observe ‘Creative Destruction’ in China?” (**Job Market Paper**, with Gary Jefferson, submitted to *Journal of Comparative Economics*)

Abstract: In the face of foreign entry, domestic firms may exhibit heterogeneous pattern of responses depending on their technological distance from foreign firms. Domestic firms closer to the foreign technology frontier may choose to compete, while firms that are further down on the technology ladder may suffer a “discouragement effect” and lag further behind. In this paper, we test the Schumpeterian idea of “creative destruction” using firm-level data from China’s Large and Medium-Size Enterprise (LME) dataset. We find that foreign entry indeed has a heterogeneous impact on the productivity growth of domestic incumbents. Furthermore, we offer evidence that foreign-entry also induces a similar heterogeneous pattern in domestic firms’ innovation-related activities.

“Research Centers and Technology Diffusion”

Abstract: Much of the debate over income convergence hinges on whether technology diffusion is global or local. This paper addresses the question in a developing country setting and focus on the role of research centers in the domestic diffusion process. I identify three *de facto* research centers in China and investigate whether the effect of R&D spillovers from research centers is related to both *geographic and technological* distance. I find that firms’ productivity gains from R&D spillovers decline with (i) increasing geographic distance away from research centers, and (ii) the technological gap between technology senders and recipients. The latter finding provides another empirical evidence that development traps impede technology diffusion.

Research Papers in Progress:

“Is Inequality Harmful for China’s Sustained Growth?” (with Gary Jefferson)

Abstract: The recent 25 years of China's economic transformation have been marked by rising income inequality. During much of this time, China's coastal industry has served as the prime driver of China's robust economic growth, while areas outside coastal industry have lagged in their productivity growth. This paper shows that since coastal industry has substantially narrowed its productivity gap with the international frontier, its productivity growth and contribution to China's overall growth have slowed. If China is to sustain its robust growth, the relatively backward areas and sectors will need to improve their relative contribution to Chinese growth. The implication is that, in accord with the Kuznets Curve, income inequality may be beginning to moderate.

“Value Investing or Value Trap?”

Abstract: Past research on contrarian investing focused on the mean-reversion nature of stock returns and a simple buy-low and sell-high strategy is often advocated. However, not all contrarian investments worked out and strategies that are simply based on lower valuation often put investors into “value trap”, where stocks go down even further or their values get completely wiped out. This paper tackles the question of what makes a sensible contrarian investment. I first use a multinomial model to estimate what characteristics contribute to a successful turnaround of the undervalued stocks. Next, I investigate how the probabilities change over different time horizons for successful reversals. This research contributes to the deeper understanding of a very popular investment strategy.