Information Summary

Applicant Name: Yiran (Stephen) Xu

E-Mail: yiran.xu@bnc.ox.ac.uk

Mobile Number: +44 (0)7762 130672

School: University of Oxford

Area of Interest: Entrepreneurial Policy, Industrial Policy, Political Economy

Year of Entry into PhD: 2024

Expected Year of Completion: 2027

Referee: Dr. Nathaniel Lane, University of Oxford

Yiran Xu

+44 7762 130672| yiran.xu@bnc.ox.ac.uk

EDUCATION

University of Oxford *2023 – 2027*
DPhil in International Development

University of Cambridge *2022 – 2023*
MPhil in International Development

University College London *2019 – 2022*
BSc in Economics

RESEARCH INTERESTS

Industrial Policy, Entrepreneurial Policy, Political Economy, China's Economy

SEMINARS AND INVITED TALKS

Technology and Management Centre for Development (TMCD), University of Oxford, 2024
Chinese Economy Workshop, University of Oxford, 2024
Interdisciplinary Research Event, University of Cambridge, 2023

PUBLICATIONS

2022 "Individuals with Long-Term Illness, Disability or Infirmity Are More Likely to Smoke than Healthy Controls: An Instrumental Variable Analysis". **Frontiers in Public Health.** With Xingzuo Zhou, Yiang Li and Tianning Zhu
— *Roche Research Solution Award, 2022 National Inter-University Big Data Challenge*

OTHER RESEARCH EXPERIENCES

Research Assistant *June – October 2024*
Dr. Nathaniel Lane, University of Oxford

- Paper title: Manufacturing Revolutions: Industrialisation and Industrial Policy in South Korea. **Quarterly Journal of Economics (Accepted)**

Research Assistant *Nov 2023 – March 2024*
Dr. Nathaniel Lane, University of Oxford; Dr. Reka Juhaz, University of British Columbia

- Paper title: Industrial Policy in the Global Semiconductor Sector. **NBER Working Paper**

INDUSTRY WORK EXPERIENCE

Consultant, OxValue.AI Oxford, UK
Consultant *Nov 2023 – Now*

Wenzhou Municipal Bureau of Finance Wenzhou, China
Student Intern *June – Sept 2022*

China Securities Co Ltd Beijing, China
Investment Banking Division Intern *June – Sept 2020*

AWARDS & SCHOLARSHIPS

Brasenose College Graduate Research Travel Grant

Brasenose College Graduate Research Bursary

Blackfriars International Education Service (BIES) Graduate Research Grant

Roche Research Solution Award, 2022 National Inter-University Big Data Challenge

Singapore SM1 Government Scholarship

- Four-year pre-university full scholarships awarded by the Ministry of Education in Singapore

ADDITIONAL INFORMATION

Computational Skills: Stata, R, Python, LaTex, SQL
Language: English (proficient), Mandarin (native)

Yiran Xu

+44 7762 130672| yiran.xu@bnc.ox.ac.uk

REFERENCE

Professor Xiaolan Fu
Department of International Development
University of Oxford
Email: xiaolan.fu@qeh.ox.ac.uk

Dr. Jinlin Li
China Institute of Finance and Capital Markets
China Securities Regulatory Commission
Email: lijinlin@pku.edu.cn

Dr. Nathaniel Lane
Department of Economics
University of Oxford
Email: nathaniel.lane@economics.ox.ac.uk

Research Statement

Venture capital (VC) drives groundbreaking innovation and in turn, economic growth (Lerner, 2009). However, market failures persist when risk aversion prevents sufficient investment in early-stage high-tech firms. To address this shortfall in entrepreneurial finance, the state can sometimes step in by deploying venture investments of its own—an industrial policy instrument termed government VC. Such initiatives typically leverage public funds to foster growth in priority, often strategic, sectors while delegating investment decision-making and day-to-day management to professional fund managers. Despite their long history and growing use, particularly in China and the West, government VC remains relatively underexplored in economics and business research.

My current PhD research examines China as a case study on the potential and pitfalls of government VC. My co-authors and I have compiled a unique database on Chinese government VC investments by drawing on historical records from the Asset Management Association of China and linking these records to national firm registration data. This dataset covers over 140,000 VC transactions to date.

This research has two main objectives. First, it seeks to examine the purported "crowding-in" effect of government VC: Despite their growing popularity, robust causal evidence on whether—and more importantly, how—government VC instruments stimulate or stifle the private sector remains limited (Howell 2017). To study this question, I employ an event-study approach at the firm level to investigate (a) how different levels of government and their private-sector partners could produce significantly different "crowding-in" effects, (b) how the features of local VC markets affect "crowding-in", and (c) the mechanisms that determine whether state financing crowds in or crowds out private investments.

Second, China's government VC initiatives offer a crucial opportunity to study state-firm interactions and how they limit the utility of certain industrial policies, particularly in green technologies. By integrating our government VC database with a comprehensive analysis of bureaucrat-business ties, our research will examine how local officials' vested interests in established carbon-intensive industries—as approximated by their political connections to firm managers in said industries or unusual perk spending—may hinder government VC investments in green startups and in turn, the emergence of transformative green technologies.

My future research agenda is comprised of two interconnected strands. One strand will involve studying the interplay between government VC and other industrial policies, with an eye on determining which combinations of state policies are most effective at enhancing both the quantity and quality of startup-led innovation. The other strand will involve compiling international evidence on various government VC programmes, to reveal the institutional prerequisites needed for their successful implementation.

This bootcamp will provide an invaluable opportunity to further refine my research project. By engaging with top academics in entrepreneurial research—especially in the realm of VC—and exploring cutting-edge developments in entrepreneurial policy, I hope to gain insightful feedback and uncover new avenues to enhance my research contributions. Moreover, interacting with other like-minded researchers at this bootcamp will help me not only broaden my perspective but also cultivate a vibrant network and foster fruitful research collaborations.

References

Howell, Sabrina T. "Financing Innovation: Evidence from R&D Grants." *American Economic Review* 107, no. 4 (April 2017): 1136–1164. https://www.aeaweb.org/articles?id=10.1257/aer.20150808.

Lerner, Josh. *Boulevard of Broken Dreams: Why Public Efforts to Boost Entrepreneurship and Venture Capital Have Failed—and What to Do about It.* Princeton, NJ: Princeton University Press, 2009.

DR. NATHANIEL LANE / ASSOCIATE PROFESSOR
DEPARTMENT OF ECONOMICS

Manor Road Building, Manor Road, Oxford OX1 3UQ
nathaniel.lane@economics.ox.ac.uk



Nathaniel Lane
Associate Professor
Department of Economics
University of Oxford

21 Jan. 2025

Subject:

Letter of support Stephan Yiran Xu for the NBER Entrepreneurship Bootcamp

Dear Committee Members,

I am writing in support of Stephen (Yiran) Xu, my DPhil student for the NBER Entrepreneurship Bootcamp. His fields focus on industrial development, innovation, and finance, with an emphasis on entrepreneurship. I fully endorse his attendance and consideration for this program—he's fantastic and brings a lot of first-hand experience in the domain. As a third-year doctoral candidate focused on economic development, Stephen would greatly benefit from this experience.

Stephen is currently a 3rd year student in economic development and has a vibrant research agenda that fits neatly into the NBER bootcamp. He received his MPhil in International Development from Cambridge and his BA in Economics from UCL. His research interests center on industrial policy, innovation, and economic development, particularly the ways in which financial policy shapes innovation. His job market paper examines the role of the Big Fund and state-led venture capital in driving innovation and industrial development among Chinese firms.

Stephen has been an excellent empirical researcher and throughout his studies, has served as a research assistant with the Industrial Policy Group, working closely with me and Dr. Reka Juhasz on global semiconductor policy and South Korean industrial policy. He is firmly grounded in the innovation and entrepreneurship literature.

Stephen is keen, knowledgeable, and a joy to interact with, both in collaborative research settings and in broader academic discussions. He'd be a fantastic participant.

I am confident that Stephen will make the most of this opportunity to deepen his understanding of the literature. As someone from Oxford, he is not always exposed to this type of work. It will be a huge value added for him, especially as he develops his dissertation.

I endorse Stephen's application without reservation and am more than happy to provide further information. Please feel free to email me with any questions about him.

Sincerely,

Nathaniel Lane

