Zhuo Nie 聂卓

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Education

2017- **Phd Student** in Economics - National School of Development, Peking University

2013-2017 **Bachelor** in Human Geography - College of Urban and Environmental Science, Peking University

Bachelor in Economics (Double Degree) - National School of Development, Peking University

Research Interests

Public Economics, Political Economy, Development Economics

Working Papers

1. **"Evading by All Means: How does Value-added Tax Enforcement Affect Payroll Tax Compliance in China?"** (With Lixing Li, Kevin Zhengcheng Liu, and Tianyang Xi)

   Tax systems in developing economies are often fragmented and suffer from a lack of coordination among tax authorities. This problem may hinder fiscal capacity by inducing tax evasion in weakly enforced domains. Using the repealing of agricultural tax by the Chinese government in 2005 as a policy shock, we find that the revenue shortages afterwards creats varying incentives for county governments to enhance enforcement efforts on value-added tax (VAT). In turn, the increased VAT enforcement is associated with a higher degree of payroll tax evasion among manufacturing firms. Further investigations on firm heterogeneity and real market responses are consistent with an argument that increasing tax enforcement of one kind may unintentionally undermine policy compliance along other dimensions.

2. **"Foreign Aid and Local Public Goods Provision: Evidence from China's Aid in Africa"**（with Yuchen Lin）

   This paper studies the effect of foreign aid on local level public goods provision in recipient countries. To overcome potential endogeneity problem, we use interaction of time variation in China's foreign aid resulted from changes in its foreign exchange reserve, and cross-sectional variation in a subnational region's probability of receiving Chinese aid, to construct an instrumental variable. We find that the existence of Chinese aids significantly reduces resident's accessibility to public goods from local government. Similar pattern is found in World Bank's aid, suggesting that the negative effect is not due to specific characteristics of China, but rooted in the nature of foreign aid per se. We further provide suggestive evidence that the drop of public goods provision is driven by local politician's declining responsiveness to their populace's demand. Democracy and good governance could alleviate public service decline due to foreign aid. Discussions among several potential alternative mechanisms suggest that the most possible explanation behind this declining incentive is that foreign aid reduces local government's need for taxation.

3. **"VAT Enforcement and Firms' Pollution Emission: A Perspective of Multi-dimensional State Capacity"** (in Chinese, With Lixing Li and Tianyang Xi)

4. **"Does Tax Cut Improve Expenditure Efficiency of the Local Government? Evidence from the Business Tax Reform of 2016"** (in Chinese, With Lixing Li and Tianyang Xi)

5. **"Decentralization and Public Goods Provision: Evidence from the Impact of Province-Managing-County on Subsidy to Hospital"** (in Chinese, With Yuqi Ta and Xiaohan Yang)

Works in Progress

1. SOE Reform and Political Preference in China (With Yuchen Lin)

TA Experience

Fall 2019	*Political Economy of Chinese Economic Growth* (MPA)
Fall 2018	*Chinese Public Finance* (Undergraduate) *Political Economy of Chinese Economic Growth* (MPA)
Spring 2017	*Intermediate Econometrics* (Undergraduate)
Fall 2016	*Intermediate Microeconomics* (Undergraduate)

Conference Presentations

2019	Ronal Coase Institute Workshop on Institutional Analysis, Warsaw, Poland 5th China Public Finance Forum, Beijing Young Economist Society, Zhuhai
2017	3rd China Public Finance Forum, Shanghai

Skills

R, Stata, Latex, ArcGIS

Supervisers

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