

# Youming Liu

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## EDUCATION

Ph.D., Economics, Boston University, Boston MA, August 2019  
Dissertation Title: *Regulation and Welfare Efficiency: Evidence from China*  
Main advisor: Marc Rysman  
M.S., Economics, Boston University, Boston MA, 2014  
B.A., Zhejiang Gongshang University, Hangzhou, Zhejiang, China, 2012

## CURRENT AFFILIATION

Post-Doctoral Research Associate, Cornell Institute for China Economic Research, Cornell University, August 2019 – Present

## FIELDS OF INTEREST

Industrial Organization, Environmental Economics, Chinese Economy

## JOB MARKET PAPER

“Competition for Exclusivity and Customer Lock-in: Evidence from Copyright Enforcement in China,” August 2020.

## SUBMITTED PAPERS

“The Dynamic Efficiency in Resource Allocation: Evidence from Vehicle License Lotteries in Beijing,” (with Shanjun Li and Caixia Shen) *Revise and Resubmit at Rand Journal of Economics* .

“The Cost of Greening Stimulus: A Dynamic Discrete Choice Analysis of Vehicle Scrapage Programs,” (with Shanjun Li and Chao Wei) *Revise and Resubmit at International Economic Review* .

## WORKING IN PROGRESS

“Quality Upgrading in China’s Automobile Industry (with Panle Jia Barwick and Shanjun Li)

“On the Linkage Between Used Automobile Market Development and New Car Sales (with Panle Jia Barwick and Shanjun Li)

## PRESENTATIONS

World Congress of the Econometric Society, August 2020

International Industrial Organization Conference, April 2019

Conference in Industrial Organization, Shanghai University of Finance and Economics, June 2019

Economics Graduate Students Conference, Washington University in St. Louis, October 2018

## FELLOWSHIPS AND AWARDS

Dean’s Fellowship, Boston University, 2014-2018

Summer Research Grant, 2017

Special PhD Stipend for MA Graduates, Boston University, 2014

## **WORK EXPERIENCE**

Research Assistant for Marc Rysman, Department of Economics, Boston University, Spring 2017 – Spring 2018

Research Assistant for Zhongjun Qu, Department of Economics, Boston University, Fall 2015

## **TEACHING EXPERIENCE**

Teaching Assistant, Game Theory, Department of Economics, Boston University, Fall 2018 -Spring 2019

Teaching Assistant, Environmental Economics, Department of Economics, Boston University, Fall 2018

Teaching Assistant, Legal Issues, Department of Economics, Boston University, Fall 2016

Teaching Assistant, Market Structure and Economic Performance, Department of Economics, Boston University, Fall 2016

Teaching Assistant, Empirical Economics 2, Department of Economics, Boston University, Spring 2016 - Fall 2016

## **LANGUAGES**

Mandarin Chinese (native), Fluent English

## **COMPUTER SKILLS:**

MATLAB, Stata, Gauss, Python, C, Bash, LaTeX

## **CITIZENSHIP/VISA STATUS:**

China/F1

## **REFERENCES**

### **Professor Marc Rysman**

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## **Competition for Exclusivity and Customer Lock-in: Evidence from Copyright Enforcement in China** (Job Market Paper)

Copyright enforcement in China has heightened competition among music streaming services for obtaining exclusive licenses from music labels. The competition is driven by the existence of switching costs for consumers in choosing among services. Exclusivity attracts users for service, benefiting the service in the future when switching costs can be exploited as a lock-in device. This paper estimates switching costs and other key parameters in a dynamic structural model using aggregate data from China's music streaming market over 2014-2017. With the model estimates, I simulate market outcomes that had two alternative policies a compulsory licensing provision and a mandatory data portability policy been enforced. The counterfactual analysis shows that a compulsory licensing that enforces non-exclusive distribution would increase market concentration, enlarging the market share gap between the leading and small services. However, the analysis suggests using data portability to reduce the switching cost because it attracts more streaming users, benefiting all services in the market.

## **The Dynamic Efficiency in Resource Allocation: Evidence from Vehicle License Lotteries in Beijing** (with Shanjun Li and Caixia Shen)

The efficiency of resource allocation is often analyzed in the static framework with a focus on the cross-sectional heterogeneity among users. When the resource is durable in nature, the temporal heterogeneity among users could be important in comparing different allocation mechanisms such as auctions and lotteries. This paper uses a dynamic model to empirically quantify the dynamic efficiency in resource allocation for durable goods with forward-looking agents. In the context of the vehicle license lottery in Beijing, we find that households on average participate in the lottery system at least four years earlier than they would be in a counterfactual environment of no quantity constraint. Dynamic inefficiency accounts for the majority of welfare loss from the misallocation.

## **The Cost of Greening Stimulus: A Dynamic Discrete Choice Analysis of Vehicle Scrapage Programs** (with Shanjun Li and Chao Wei)

During the great recession, many countries have adopted stimulus programs designed to achieve two goals: to stimulate economic activity in lagging durable goods sectors and to protect or even enhance environmental quality. The environmental benefits are often viewed and much advocated as co-benefits of economic stimulus. This paper investigates the potential tradeoff between the stimulus and environmental objectives in the context of the popular U.S. Cash-for-Clunkers (CFC) program by developing and estimating a dynamic discrete choice model of vehicle ownership. Results from counterfactual analysis show that design elements to achieve environmental benefits could significantly limit the program impact on demand stimulus: the cost of demand stimulus after netting out environmental benefits under the program could be 21 percent higher in terms of vehicle sales and 20 percent higher in terms of consumer spending than that from alternative policy designs without explicitly aiming at the environmental objective. Our findings serve as a cautionary tale for similar green stimulus proposals to address the current economic crisis from the coronavirus pandemic.