

**GUO XU**

**LONDON SCHOOL OF ECONOMICS & POLITICAL SCIENCE**

**Department of Economics**

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**GENDER:** Male

**CITIZENSHIP:** German

**PRE-DOCTORAL STUDIES:**

2012-2013 MRes Economics (Merit), London School of Economics  
2011-2012 MSc Economics (Distinction), London School of Economics  
2009-2010 MSc Development Studies (ranked 1<sup>st</sup>), London School of Economics  
2007-2009 BSc Economics, Humboldt-Universität zu Berlin

**DOCTORAL STUDIES:** PhD Economics, London School of Economics

DATES: 2013 - present

THESIS TITLE: Essays in Development, Labor and Organizations

EXPECTED COMPLETION DATE: June 2017

THESIS ADVISOR AND REFERENCES:

Professor Oriana Bandiera (Advisor)  
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University of Chicago  
Booth School of Business  
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**DESIRED TEACHING AND RESEARCH:**

Primary Fields: Development, Labor and Organizational Economics  
Secondary Fields: Economic History

**TEACHING EXPERIENCE:**

2016 – 2017 EC220 Introduction to Econometrics, LSE (Undergraduate)  
2016 EC455E Quantitative Approaches to Policy Analysis, LSE (Graduate, Executive Program)  
2013 – 2014 DV431 Development Management, LSE (Graduate)  
2012 – 2015 EC206 The Global Economy, LSE-PKU Summer School (Undergraduate)  
2012 – 2016 EC307 Development Economics, LSE Summer School (Undergraduate)  
2012 – 2013 EC220 Introduction to Econometrics, LSE (Undergraduate)

**RELEVANT POSITIONS HELD:**

2011-2016 Research Assistant for Oriana Bandiera, Robin Burgess,  
Dave Donaldson, Eliana La Ferrara, Sandra Sequeira  
2013 – 2014 LSE Teaching Fellow in International Development  
2012 – 2013 Consultant at Asian Development Bank, Research Division  
2010 – 2011 Research Associate at DIW Berlin

**LANGUAGES**

German Native  
English Fluent  
Chinese (Mandarin) Fluent spoken, basic written

**HONORS, SCHOLARSHIPS AND FELLOWSHIPS:**

2016/17 Royal Economic Society Junior Fellowship  
2015 International Growth Centre Grant  
2015 STICERD Research Grant  
2014 Class Teacher Award  
2010 Best Overall Performance and Best Dissertation for MSc  
2007 Friedrich-Ebert-Foundation Fellowship

**COMPLETED PAPERS:**

**“The Costs of Patronage: Evidence from the British Empire” (Job Market Paper)**

I study how patronage affects the promotion and performance of senior bureaucrats within a global organization: the British Empire. I combine newly digitized personnel and public finance data from the colonial administration 1854-1966 to study the inner workings of a bureaucracy that controlled close to a fifth of the earth's land mass at its peak. Exploiting the ministerial turnover in London as a source of within-governor variation in social connections, I find that governors are more likely to be promoted to higher salaried colonies when connected to their superior during the period of patronage. At the same time, they provide more tax exemptions, generate less revenue, invest less and are less likely to be recognized for their service. The promotion and performance gaps disappear after the abolition of patronage appointments. Exploiting a fixed allocation rule to predict the appointment of connected governors unrelated to colony characteristics, colonies administered for longer periods by connected governors during the period of patronage exhibit lower fiscal capacity today. Exposure to connected governors after the removal of patronage has no long-run impact.

**“The Costs of Bureaucratic Rigidity: Evidence from the Indian Administrative Service”**, with Marianne Bertrand, Robin Burgess and Arunish Chawla, 2016 ([submitted](#))

Using a stakeholder survey and rich administrative data we study elite civil servants in India. We find that officers that enter state cadres older and in larger cohorts are less effective and more likely to be suspended. We argue that this is due to weaker promotion prospects and career incentives. We demonstrate that states which contain a higher proportion of these officers grow less quickly and that these effects are driven by senior officers and felt most acutely in the organized industrial and service sectors of the economy. Career concerns of bureaucrats therefore affect both their effectiveness and aggregate economic performance.

**“How Does Collective Reputation Affect Hiring? Selection and Sorting in an Online Labour Market”**, EOPP Paper 54, 2015 (Under revision [Journal of the European Economic Association](#))

Using data from an online labour market where the country of residence is the salient group characteristic, we document a mechanism through which collective reputation perpetuates group inequality. Using an IV strategy, we identify reputational externalities between an employer's first hire and the propensity to contract more workers from the same country. Employers, contingent on their first worker's performance, continue to almost exclusively hire from the same country. This coincides with a positive sorting response: Observing their predecessor's success, workers from the same country disproportionately apply and are of higher quality. Employers, facing better applicants, in turn provide higher ratings.

## **PUBLICATIONS**

**“Rewarding Schooling Success and Perceived Returns to Education: Evidence from India”**, with Sandra Sequeira and Johannes Spinnewijn ([Journal of Economic Behavior & Organization](#), 2016)

This paper tests two specific mechanisms through which individuals can form expectations about returns to investments in education: recognition for schooling performance, and exposure to successful students through family or social networks. Using a regression discontinuity design, we study the impact of two fellowship programs recognizing educational performance in secondary schools in India. We find that the fellowship award is associated with a significant increase in the perceived value of education, by both increasing the perceived mean of earnings (0.74 standard deviations (SD)) and decreasing the perceived variance in earnings (1.03 SD) associated with additional years of schooling. The effects spill over only selectively to social and family networks. Peers exposed to successful students do not update their beliefs but parents of fellows report higher perceived returns to education. Peers of fellows are however more informed about fellowship opportunities and report a higher intention to apply for the fellowship, thus contributing to the persistence of the potential impact of the fellowship across different cohorts.

## **WORK IN PROGRESS:**

**“State Capacity and Long-run Development: Evidence from the British Empire”**, with Robin Burgess, ([data collection](#))

**“D.R. Congo Public Service Reform and Rejuvenation Project – A Randomized Controlled Trial”**, with Eric Mvukiyehe and Florian Blum, World Bank i2i DIME ([design phase](#)),

**CONFERENCE AND SEMINAR PRESENTATIONS**

- 2017 Stanford-LSE Conference on Long-run Development in Latin America (invited)
- 2016 European Winter Meeting of the Econometric Society, Edinburgh (scheduled)  
SAEe Bilbao (scheduled)  
Warwick, History and Development Workshop (invited)  
Paris School of Economics Development Seminar (invited)  
EUDN PhD Workshop on Development Economics, ULB  
Uppsala University, Applied Micro Seminar (invited)  
Development Economics Workshop, Oxford CSAE (invited)  
European Doctoral Program Workshop, UPF  
Annual Congress EEA-ESEM, Geneva  
Evidence Based Economics Summer Meeting, LMU Munich  
Verein für Socialpolitik AEL, Heidelberg  
International Growth Week, LSE  
Trans-Atlantic Doctoral Conference, LBS  
Annual Conference of the Royal Economic Society, Sussex
- 2015 Brown Bag Seminar, Humboldt-Universität zu Berlin (invited)  
Berlin Colloquium in Economic History, Humboldt-Universität zu Berlin (invited)
- 2014 CESifo Group Seminar, Munich (invited)  
DIW Berlin, International Economics Seminar (invited)  
Annual Congress EEA-ESEM, Toulouse  
Warwick PhD Conference, Warwick
- 2013 NEUDC, Harvard Kennedy School  
Asian Development Bank, Manila (invited)  
European Doctoral Program Workshop, UC Louvain
- 2012 Annual Congress EEA-ESEM, Malaga
- 2011 Verein für Socialpolitik AEL, DIW Berlin (invited)  
Annual Congress EEA-ESEM, Oslo

**REFEREE SERVICE**

Journal of Labor Economics, Economica, Journal of Development Economics, International Review of Economics and Finance

For the most up-to-date CV and papers, please visit: <http://www.guoxu.org>