

# Thomas Michael Rowley

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Research Interests: International Trade, Policy, Trade Finance, Productivity, Environment

## EDUCATION

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- Economics PhD Candidate** at ESSEC Business School & CY Cergy-Paris Université, France **09/2020 -**
- Visiting PhD Candidate at the University of Warwick Economics department**, Coventry, England **01/2022 -**
- » With support from the EUTOPIA Mobility grant and the Labex MME DII scientific project grant
- Masters Spécialisé, Business Admin. Research, Economics option**, ESSEC Business School, Paris **2020**
- Masters in Economic Analysis, Theory and Methods option**, CY Cergy Paris University, Paris **2020**
- BA, Business Management Economics**, University of California, Santa Cruz **2011**
- » Information Systems Management Minor. Cum Laude Honors.

## UNIVERSITY TEACHING

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- ESSEC Business School, Paris **September 2021 – July 2023**
- Managerial Economics and Strategy** » A core course I developed for the Masters in Strategy program that integrates a range of microeconomic theories with current case studies to build perspective on the firm's competitive structure, and strategic possibilities.
- International Economics and International Trade** » Courses in the Masters in Management and Bachelor of Business Administration covering the classical models of Ricardo, Specific factors, and Heckscher-Ohlin, the effects of trade on economic growth and wage inequality, and new trade theory from increasing returns to firms in the global economy and trade policy.
- Université Paris Dauphine, Paris **September 2021 - January 2023**
- Microeconomic Theory** » An intensive course for the Bachelor of Economics covering two dimensions of general equilibrium - intertemporal allocation and financial assets (pricing) with uncertainty across states of nature.

## WORK EXPERIENCE

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- Calculus, Economics and Accounting Teacher**, Jinling High School, Nanjing, China **09/2013 - 07/2018**
- » Designed courses and delivered high-quality lectures via both English and Chinese for American and Canadian diploma programs, regularly being voted best teacher.
- Business Operations Consultant**, Better Publishing LLC, Palo Alto, California **12/2012 – 09/2013**
- » Drafted a supply costs reduction strategy, created a SCM forecasting tool to enable JIT inventory management, and designed marketing plans for new products and sales.
- Co-Founder: Marketing, Operations and Finance**, Epunchit LLC, San Diego, California **04/2011 – 12/2012**
- » Programmed and marketed a 'local establishment focused' restaurant CRM and app with innovative concepts in marketing, customer loyalty, and mobilization of local eateries.

## PROGRAMING AND LANGUAGE

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Stata, Python, R, SAS, SQL, Visual Basic, Excel, data modeling, extensive econometrics and statistics knowledge. English (native), Chinese (advanced), French and Spanish (conversational)

## ONGOING RESEARCH

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### **Domestic vs Foreign Superstars: Granular Comparative Advantage, Pro-competitive Effects, and Productivity Spillovers**

Abstract: China's immense market potential, export-led development, and policy encouragement of FDI have bred numerous foreign-owned superstar firms. This paper shows how these granular operations of foreign multinationals in China are systematically different from their domestically-funded Chinese counterparts over the period 1998-2007. These differences carry over to heterogeneous associations with industry exports (granular

comparative advantage) and to the degree of competitive pressure they place on non-granular firms. The relatively dominant domestically-funded firms cause industry granularity's net association with exports to be negative; the opposite of what is found for the case of France by Gaubert and Itskhoki (2021). However, using an IV strategy, the effect of granularity owing to FDI is positive, and the behavior of granularity owing to domestically-funded firms becomes less negative over time, converging towards that of a developed country scenario. An investigation into firm-level markups then shows that granularity originating from FDI induces a greater degree of pro-competitive effects on non-granular firms. Furthermore, by utilizing official documents on FDI encouragement to build an industry-varying shock, I detect positive horizontal spillover effects onto domestic firms' labor productivity coming from the granularity component of FDI, a finding that stands against the existing, non-granular specific FDI literature for China. Moving this line of research into FDI and taking on a major developing host country's perspective is important as FDI plays a large role in its economy.

### **Channels of FDI in China: The Relevance of Comparative Advantage**

**Abstract:** This paper explores the relevance of horizontal and vertical motives of FDI in China over a key period of its economic emergence, 1998 to 2007. In linking a Chinese firm-level dataset with international datasets for trade flows, tariffs, and transport costs, I allow for its use in new ways and reach a greater level of industry disaggregation than previously existed in the literature on determinants of Chinese inward FDI. Results show over 2/3rds of Chinese industries undergoing significant dynamics in revealed comparative advantage (RCA) estimated a la Costinot et al. (2012). GMM as well as an IV approach show that while the vertical motive of FDI dominates overall, horizontal motives are strong for non-HKMT (Hong Kong, Taiwan, Macau) FDI. As the literature has shown non-HKMT FDI as more beneficial in terms of spillovers to local firms in China, my results suggest that allowing domestic market access may be a vital prerequisite to such spillovers, i.e., not only export promotion. Further, horizontally motivated FDI also serves as an export platform, and thus, trade barriers should be as low as possible. Finally, China's provincial-level RCA accounts for 1/4th of RCA's association with FDI, and the positioning of provinces are divergent from one another, suggesting that China's competitiveness is already shifting across provinces, and that the "next China" is likely still inside China.

### **Financial constraints: A carbon disclosure mandate and trade outcomes** (with Melanie Marten)

**Abstract:** This paper investigates portfolio re-optimization within an international trade context, with regards to French institutional investors and asset managers' exposure to more stringent disclosure requirements on the carbon intensity of their investments, as well as new ESG reporting requirements placed on firms following the introduction of the Energy Transition for Green Growth Act in 2015. We use confidential corporate tax returns and customs data to employ an event study difference-in-differences approach to examine the effects of these stringent carbon and non-financial disclosure requirements on the borrowing capacity, performance and carbon intensity of exports and imports of exposed firms, as a large share of manufacturing firm's carbon intensity is by means of international trade. We focus on listed companies relative to unlisted companies as well as the intensity of bank debt of total debt and also total trade finance. Preliminary results indicate that the policy induced greater financial constraints among exposed firms, with spillover effects on both their net income, the value of their imports, and the types of goods they import. The findings will provide a valuable contribution to policymakers in designing policies that encourage a low-carbon economy and in anticipating the effects of such regulation.