

FAN ZHANG

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EDUCATION

The Chinese University of Hong Kong

Ph.D. Candidate in Finance, 2019 - Present

University of Amsterdam

M.Sc. in Business Economics (Majored in Finance), 2013 - 2015

University of International Business and Economics

B.Econ. in Investment, 2009 - 2013

RESEARCH INTERESTS

Politics in Finance, Government Procurement, Global Trade, Labor Diversity

WORKING PAPERS

- 1. Unintended Consequences of Diversity Regulations** (Job Market Paper)
- 2. The Golden Revolving Door** (with Ling Cen, Lauren Cohen, and Jing Wu), NBER Working Paper
 - AFA (2025), CICF (2023), EFA (2023), NFA (2023)
 - Featured at The Harvard Law School Forum on Corporate Governance
- 3. Presidential Particularism (and the Trump Anomaly): Evidence from Federal Contract Awards and Capital Markets** (with Ling Cen, Sudipto Dasgupta, and Anthony Rice)
 - CICF(2024)

WORKING IN PROGRESS

The Value of Advising the Government (with Ying Chao)

CONFERENCES AND SEMINAR PRESENTATIONS

The American Finance Association Annual Meeting (scheduled)	2025
China International Conference in Finance	2024
3rd Contemporary Issues in Financial Markets and Banking	2024
Asian Finance Association Annual Conference	2024
European Finance Association Annual Meeting *	2023
China International Conference in Finance *	2023
Northern Finance Association Annual Meeting *	2023

(* by coauthors)

AWARDS AND FELLOWSHIPS

AFA Student Travel Grant	2022
Postgraduate Fellowship, The Chinese University of Hong Kong	2019-Present

TEACHING EXPERIENCE

The Chinese University of Hong Kong Financial Markets (Teaching Assistant)	<i>2019-2024</i>
The Chinese University of Hong Kong, Shenzhen Time Series Analysis (Teaching Assistant) Theory of Statistics (Teaching Assistant)	<i>2018-2019</i>

INDUSTRY EXPERIENCE

Jones Lang LaSalle (JLL) Senior Analyst, Business Valuation	<i>2015-2017</i>
Tsinghua University Research Analyst, China Research Center for Enterprise M&A and Development	<i>2017-2018</i>

QUALIFICATIONS AND SKILLS

Chartered Financial Analyst (CFA) Charterholder
Certified Financial Risk Manager (FRM)
SAS, SQL, STATA, R

1. Unintended Consequences of Diversity Regulations (Job Market Paper)

Abstract: Using a granular dataset of personal career history, this paper examines the unintended consequences of government diversity regulations. After the Office of Federal Contract Compliance Programs (OFCCP) diversity investigations, the female ratio in uninvestigated plants of investigated conservative firms decreases while this ratio of liberal firms increases. Future compensation and the likelihood of promotion for female employees of investigated conservative firms decrease relative to male employees. When the female ratio of employees increases as an outcome of compliance pressure, corporate productivity decreases in conservative firms and increases in liberal firms. These findings suggest that the value misalignment between government diversity initiatives and corporate ideologies leads to real economic outcomes, at both the individual and the corporate levels, against disadvantaged workers that the diversity regulations intend to protect.

2. The Golden Revolving Door (with Ling Cen, Lauren Cohen, and Jing Wu)

Abstract: Using both the onset of the US-China trade war in 2018 and the most recent Russia-Ukraine war and associated trade tensions, we show a counterintuitive pattern in global trade. Namely, while the average firm trading with these nations significantly decreases their trade with these jurisdictions following sanctions, government-linked firms show a marked contrast. In particular, government-linked firms actually significantly increase their trading activity following the onset of formal sanctions. The increase is large - roughly 33% ($t=4.01$). We find no increase broadly to other countries (even countries in the same regions) at the same time, nor of these same firms in these same regions at other times. In terms of mechanism, government-linked supplier firms are nearly twice as likely to receive tariff exemptions. More broadly, these effects are increasing in the level of government connection. For instance, firms geographically closer to the government agencies they supply increase their imports more acutely. Using micro-level data, government-supplying firms recruiting more employees with past government work experience also increase trading activity more - particularly when the past employee worked in a government-contracting role. Lastly, this results in sizable accrued benefits in terms of firm-level profitability, market share gains, and outsized stock returns.

3. Presidential Particularism (and the Trump Anomaly): Evidence from Federal Contract Awards and Capital Markets (with Ling Cen, Suddipto Dasgupta, and Anthony Rice)

Abstract: Using a comprehensive database covering federal contracts, we document presidential particularism in the allocation of U.S. federal government contracts during election cycles. Firms located in "Swing" and "Core" states receive disproportionately higher monetary value in federal contracts at the expense of firms that operate in "Hostile" states. Awards to Core states peak in re-election years for incumbent presidents, suggesting both electoral and partisan motives. In contrast, awards to firms located in Core states fall relative to those located in Hostile states in election years for presidents' second terms. Government agencies engage more aggressively in particularism when they work under members of a president's cabinet or their leaders have the same party affiliation as the president. Particularism disappears during the Trump presidency when Hostile-state firms are awarded more contracts than Core-state firms. Based on empirical patterns of analyst forecasts and stock returns, we find that market participants are slow to recognize the implications of particularism for corporate earnings and underreact to this phenomenon.