

## Fangwen Lu

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### FIELDS OF CONCENTRATION:

**PRIMARY:** Development Economics, Behavioral Economics, Health Economics

**SECONDARY:** Applied Econometrics

**DISSERTATION TITLE:** "Experiments on Health and Education in Developing Economies"

Expected Date of Completion: May 2011

### REFERENCES:

Professor Jeffrey Perloff  
University of California, Berkeley  
Dept. of Ag. Res. Economics  
207 Giannini Hall  
Berkeley, CA 94720-3310  
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Professor Michael Anderson  
University of California, Berkeley  
Dept. of Ag. Res. Economics  
207 Giannini Hall  
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Professor Jeremy Magruder  
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### EDUCATION:

University of California Berkeley	PhD	2005-2011(expected)	Agricultural and Resource Economics
University of California Berkeley	M.P.P	2002-2004	Public Policy
Nanjing University	M.A.	1999-2002	Public Administration
Nanjing University	B.A	1995-1999	Public Administration

### RESEARCH PAPERS:

#### **Insurance Coverage and Agency Problems in Doctor Prescriptions: Evidence from a Field Experiment in China (Job Market Paper)**

Do doctors write more expensive prescriptions for insured patients, and if so, why? I conducted a randomized audit experiment using undercover visits to Chinese hospitals. The results show that prescriptions for insured patients are 43% more expensive than those for uninsured patients when doctors expect to obtain a proportion of their patients' drug expenditures. The differences in prescriptions are largely explained by a *differential agency problem hypothesis* that doctors act of self-interest and prescribe more unnecessary or expensive drugs to insured patients, rather than by a *considerate doctor hypothesis* that doctors consider the trade-off between drug efficacy and patients' ability to pay.

#### **Testing Peer Effect among College Students: Evidence from an Unusual Admission Policy Change in China**

This paper studies peer effects in a natural experiment generated by an unusual change in college admission policy at a prestigious Chinese university. The change in admission policy brought a large number of low-scoring students into several academic departments which only admitted high-scoring students in usual years. Exploiting the large variations in peer characteristics and the strong interactions among peer groups, the analysis finds that specially admitted low-scoring students significantly reduced the performance of regular students in standardized English tests. This detrimental effect of specially admitted students is concentrated among students with English ability below average.

### WORK IN PROGRESS:

#### **Impacts and Channels of Peer Effects: Evidence from Random Seat Assignment**

Most studies on pre-college peer effects define peers at the classroom or school level, but how students interact within classrooms is generally overlooked and left in the black box. This study explores an experiment with random seat assignment inside Chinese classrooms. The results suggest that relative to male neighbors, female neighbors have positive effects on other students. Female students and students with lower academic backgrounds are improved more by having female neighbors. One possible channel through which these effects operate is that

students study longer if they have female neighbors. This study suggests a low cost way to improve test scores within the world's largest primary education system. (All the data have been collected.)

**Are Leaders Born or Made? Evidence from a Randomized Field Experiment** (with Michael Anderson)

This research explores a random leader assignment program in several Chinese middle schools, in which half of eligible candidates are randomly appointed as class leaders by teachers and the other half serve as the control group. We intend to estimate the effects of leader experience on academic performance and other non-cognitive traits, such as social skills, motivation, over-confidence, social preference, and opinions toward redistribution. We use both surveys and experimental games to measure the non-cognitive traits. We take modified sequential public good games to measure willingness to lead as well as tendency to cooperate. We also draw on dictator games to measure social preference. In addition, we test the incumbent effect – whether being randomly chosen as a class leader in one semester increases the likelihood of being elected as a class leader by classmates in the sequential semester. (All the data have been collected.)

**Can Family Planning Reward Policy Reduce Fertility? Evidence from Rural China**

This study investigates the effects of the family planning reward policy starting in 2004 in rural China, which offers 50 yuan (about \$7) per month per person to rural people of age 60+ who have never violated the family planning policy and have no child or only one child (or two daughters in most provinces). By exploring the differential phase-in of the policy across provinces, I find that the family planning reward policy significantly reduces both the general fertility rates and the intention to have more children in their lifetime for young couples. The results support the conclusion that future financial incentives affect current fertility decisions.

**PUBLICATIONS:**

"Analyses of Liberalistic Democracy and Its Implications for the Democratization Process in China". *Jiangsu Social Sciences* (in Chinese), Vol. 11(6), November 2000: 147-152.  
"Gender Discrimination in Job Market for College students: Causes and Countermeasures". *Collection of Women's Studies* (in Chinese), Vol. 9(4), July 2000: 4-9. (Lead article.)

**FELLOWSHIPS AND AWARDS:**

2010-2011	Dissertation Research Award, Institute of Business and Economics Research jointly with Center of Evaluation for Global Action
2010	Graduate Summer Grant, U.C. Berkeley
2008-2009	Liu Fellowship, Center for Chinese Studies, U.C. Berkeley
2008-2009	Dissertation Research Award, Institute of Business and Economics Research
2001-2002	Zhongliu Academic Scholarship, Nanjing University
1996-1999	People's Scholarship (First Class), Nanjing University

**RESEARCH EXPERIENCE:**

Research assistant, Department of Agricultural and Resource Economics, U.C. Berkeley. 2005-present  
For Professor Jeffrey Perloff. Investigating the pass through of factor prices using grocery store data.  
For Professor Ethan Ligon. Explored issues on economic growth, inequality, vulnerability and risk sharing.  
For Professors Ethan Ligon and Elizabeth Sadoulet. Estimated effects of agriculture growth on the distribution of household expenditure for World Bank *World Development Report 2008*.  
Research assistant, Policy Analysis for California Education. 2003-2004.  
Assisted in program evaluation for the Childcare Workforce Retention Initiative in California.

**TEACHING EXPERIENCE:**

Teaching assistant, Department of Agricultural and Resource Economics, U.C. Berkeley  
Introductory Microeconomics (undergraduate), Spring 2010.  
Intermediate Microeconomics (undergraduate), Fall 2008.  
Applied Econometrics (graduate), Fall 2009.

**OTHER INFORMATION:**

Affiliations:	American Economic Association
Languages:	English (fluent), Chinese (native)