

> Thursday, November 18<sup>th</sup>, 2021

12:00 - 13:30

IFLAME RESEARCH SEMINAR

**RESEARCH  
SEMINAR**



EMPOWERING CHANGEMAKERS FOR A BETTER SOCIETY



**ABSTRACT**

**TECHNOLOGY TRANSFER AND EARLY INDUSTRIAL DEVELOPMENT:  
EVIDENCE FROM THE SINO-SOVIET ALLIANCE  
BY MICHELA GIORCELLI (UNIVERSITY OF CALIFORNIA LOS ANGELES)**

This paper studies the causal effect of technology and knowledge transfers on early industrial development. Between 1950 and 1957, the Soviet Union supported the “156 Projects” in China for the construction of technologically advanced, large-scale, capital-intensive industrial facilities. We exploit idiosyncratic delays in project completion and the unexpected end of the Sino-Soviet Alliance, due to which some projects received Soviet technology embedded in capital goods and know-how, while others were eventually realized by China alone using domestic technology. We find that receiving both Soviet technology and know-how had large, persistent effects on plant performance, while the effects of receiving only Soviet capital goods were short-lived. The intervention generated horizontal and vertical spillovers, as well as production reallocation from state-owned to privately owned companies since the late 1990s



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