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CURRICULUM VITAE
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CURRENT POSITIONS

Head of Trade Unit and Advisor, International Monetary Fund
Senior Fellow, The Brookings Institution
Director, Working Group on the Chinese Economy, National Bureau of Economic Research.

PREVIOUS POSITIONS

Associate and Assistant Professor of Public Policy, Kennedy School of Government, Harvard University, 1992-2000.

The New Century Chair in Trade and International Economics and Senior Fellow, Brookings Institution 1999-2001 (The position was held prior to 1999 by Robert Lawrence and Jeffrey Frankel, and is currently held by Lael Brainard).

Advisor, The World Bank, 1999-2000

Consultant, International Monetary Fund, Summers of 1990, 1994, 1995, 1996, 1997, 1998 and 2001. [Conducted various projects on currency hedging instruments and international trade, regional trade blocs, financial derivatives and exchange rate volatility, corruption and international direct investment, and "sentimental shocks" in emerging markets.]

Visiting Scholar, Federal Reserve Bank of San Francisco, January and May-September, 1993; January, June-September, 1994. [Conducted various projects on exchange rate volatility, trade and financial integration in Asia Pacific, and reform strategies in transition economies.]

Visiting Lecturer, Central European University, Prague, Czech Republic, April and August, 1993. [Supervised masters theses in international trade and finance, and presented lectures on regional economic integration.]

Consultant, PricewaterhouseCoopers, 2001.

Consultant, Asian Development Bank, 1995. [Conducted a project with Jeffrey Frankel on economic integration in Asia.]

Consultant, Board of Governors of the Federal Reserve System, 1991 and 1995. [Conducted projects in international finance and open-economy macroeconomics.]

Consultant, The World Bank, 1998. [Conducted a research project on corruption and economic development.]

Consultant, United Nations Development Program, 1998. [Presented a keynote speech on "Corruption in Asian Economies: Beneficial Grease, Minor Annoyance, or Major Obstacle?" at the UNDP-Transparency International (Thailand) Conference on Governance in Bangkok, Thailand, June 30-July 1, 1998.]

Visiting Fellow, Organization of Economic Cooperation and Development, January, 1999.

Research Fellow, Hong Kong Institute for Monetary Research, 2000 and 2001

Other Current Positions

Research Fellow, Harvard University's Center for International Development.
Faculty Research Fellow, National Bureau of Economic Research, Cambridge, MA
Research Fellow, Center for Economic Policy Research (CEPR), London
Research Associate, Center for Pacific Basin Monetary and Economic Studies, The Federal Reserve Bank of San Francisco.
Research Associate, China Center for Economic Research, Tsinghua University.
Davidson Institute Research Associate, The University of Michigan Business School

MAIN RESEARCH FIELDS

International Finance, International Trade, Governance, China, and Open-economy Macroeconomics.

COURSES TAUGHT AT HARVARD UNIVERSITY

Macro and Financial Policies in Open Economies
International Capital Markets
Introduction to Finance
Economics of Trade and Development

PROFESSIONAL SERVICE

Associate Editor, Journal of International Economics, since 2003.

Associate Editor, Journal of International Financial Markets, Institutions & Money, North-Holland, Elsevier Science B.V. (since 1999)

Guest Editor, International Monetary Fund Staff Papers, 2003, Special issue of the Third IMF Annual Research Conference.

Member, Editorial Advisory Board, The China Economic Review, JAI Press, Greenwich, Connecticut and London, England, (since 2001)

Member, Academic Advisory Board, The China Economic Quarterly, China Center for Economic Research, Beijing University (2001-2002)

Guest Editor, Economics of Transition, Symposium on China and the World Economy, 2001.

Member, Editorial Board, Annals of Economics and Finance, Peking University Press.

Vice President and Director, Chinese Economist Society (North America), 1999-2000.

Co-organizer (with Martin Feldstein, Justin Lin and Ping Chen), (U.S.) National Bureau of Economic Research annual meetings on the Chinese economy, since 1998.

Referee, American Economic Review, Review of Economics and Statistics, Journal of Political Economy, Quarterly Journal of Economics, Journal of International Economics, Journal of Development Economics, and others.

PUBLICATIONS AND REVISE-AND-RESUBMIT

Journal articles (international finance, corruption and governance, and China)

“Monetary Policies for Developing Countries: The Role of Corruption”, (With Haizhou Huang), to be revised and re-submitted to Journal of International Economics.

“Transparency and International Portfolio Holdings” (with Gaston Gelos), Journal of Finance, forthcoming.

“Tax Rates and Tax Evasion: Evidence from 'Missing Imports' in China” (with Raymond Fisman), Journal of Political Economy, 2004, vol. 112, no. 2, p 471-496.

“Does Insider Trading Raise Market Volatility?” (with Julian Du), Economic Journal, 2004, 114 (October), 927-956.

“Foreign Portfolio Investors Before and During a Crisis,” (with Woochan Kim), Journal of International Economics, 2002, 56(1): 77-96. An earlier version was issued as NBER Working Paper No. 6968, May 1999.

“Offshore Investment Funds: Monsters in Emerging Markets?” (with Woochan Kim), Journal of Development Economics, 2002, Vol. 848. This is a substantially revised version of a paper originally issued as NBER Working Paper No. 7133 May 1999.

“Explaining the Border Effect: The Role of Exchange Rate Variability, Shipping

Costs, and Geography,” (with David Parsley), Journal of International Economics, October 2001, 55(1): 87-105.

“The Bigger They Are, the Harder They Fall: the Retail Price Differences across U.S. Cities,” (with Paul O’Connell), Journal of International Economics, 2002, 56(1): 21-54. An earlier version was issued as NBER Working Paper 6089, July, 1997.

"Convergence to the Law of One Price Without Trade Barriers or Currency Fluctuations?" (with D. Parsley), Quarterly Journal of Economics, November, 1996, No.447, 1211-1236.

“Local Corruption and Global Capital Flows,” Brookings Papers on Economic Activity, 2000(2): 303-354.

"How Taxing is Corruption on International Investors?" Review of Economics and Statistics, February 2000, 82(1): 1-11. Featured in Economist magazine, Financial Times, Chicago Tribune, Asian Wall Street Journal, (London) Times, and St. Petersburg Times.

“Domestic Crony Capitalism and International Fickle Capital: Is There a Connection?” 2001, International Finance, 4(1): 15-45.

“The China Money Puzzle: Will a Devaluation of the Yuan Help or Hurt the Hong Kong Dollar?” (S.-J. Wei, L. Liu, Z. Wang, and W.T. Woo), China Economic Review, 2000(11): 171-188.

"Currency Hedging and Goods Trade," European Economic Review, 1999, (43) 1371-1394.

"Open Regionalism in a World of Continental Trade Blocs," (with Jeffrey Frankel), IMF Staff Papers, Vol. 45, No. 3, September 1998.

"Gradualism versus Big Bang: Speed and Sustainability of Reforms," Canadian Journal of Economics, XXX(4b), November, 1997, p1234-1247. *** The model derived in this paper is quoted in length in the textbook by Alan Drazen on political economy and another textbook on economics, politics and institution by Gerald Roland.

"To Shock or not to Shock: Economics and Political Economy of Large-scale Reforms" (with P. Lian) Economics and Politics, 10(2): 161-183, July, 1998.

"Regional Trading Arrangements: Natural or Supernatural?" (with J. Frankel and E. Stein), American Economic Review, 86(2), May, 1996, p52-56.

"Trading Blocs and the Americas: The Natural, the Unnatural, and the Supernatural?" (with J. Frankel and E. Stein), Journal of Development Economics, June, 1995, 47:61-95.

"Insignificant and Inconsequential Hysteresis: The Case of U.S. Bilateral Trade" (With D. Parsley). The Review of Economics and Statistics, November, 1993, p606-613.

"Can Regional Trade Blocs be a Stepping Stone to Global Free Trade?" (S.J. Wei and J. Frankel) International Review of Economics and Finance, 5(4): 339-347, 1996.

"Price Volatility Without News about Fundamentals", Economics Letters, 37: 453-458, 1991.

Chapters in books

"Negative Alchemy? Corruption, Composition of Capital Flows, and Currency Crises," (Shang-Jin Wei and Yi Wu), in Sebastian Edwards and Jeffrey Frankel, eds., Preventing Currency Crises in Emerging Markets, p461-501, Chicago: University of Chicago Press, 2002.

"Corruption in Economic Development: Grease or Sand?" Economic Survey of Europe 2001, No. 2, pp 101-112, Geneva: United Nations Economic Commission for Europe.

"Does Corruption Provide Relief on Tax and Capital Control for International Investors?" Chapter 3 in International Taxation and Multinational Activity, edited by James R. Hines, Jr., Chicago: University of Chicago Press, 2001, pp73-87.

"Why Does China Attract So Little Foreign Direct Investment?" in Takatoshi Ito and Anne O. Krueger, eds., The Role of Foreign Direct Investment in East Asian Economic Development, Chicago: University of Chicago Press, 2000, pp239-261.

"Noise Trading in the Chinese Stock Market," in Financial Market Reform in China: Progress, Problems, and Prospects, eds., by Baizhu Chen, J. Kimball Dietrich and Yi Feng, Westview Press, 2000, pp221-241.

"The Cost of Crony Capitalism," (S.J. Wei and Sara Sievers), in Wing Thye Woo, Jeffrey D. Sachs, and Klaus Schwab eds., The Asian Financial Crisis: Lessons for a Resilient Asia, Cambridge, USA, and London, England: The MIT Press, 2000, pp91-102. An earlier version appeared in The Asian Competitiveness Report 1999, Geneva: World Economic Forum, pp50-55, 1999.

"Corruption and Economic Development in Asia," in Integrity in Governance in Asia, United Nations Development Program, New York: UNDP, October 1998, p39-53.

"Two Crises and Two China" (with Richard J. Zeckhauser), Japan and the World Economy 10: 359-369, 1998.

"The New Regionalism and Asia: Impact and Options," (with J. Frankel), in M.G. Quibria and Arvind Panagariya, eds., The Emerging Global Trading Environment and Developing Asia, Asian Development Bank, 1997.

"The Siamese Twins: Do State-owned Banks Favor State-owned Enterprises in China?" (with Tao Wang), China Economic Review, 8(1): 19-29, 1997.

"Open versus Closed Trade Blocs," (S.J. Wei and J. Frankel) in Regional versus Multinational Trade Arrangements, edited by Takatoshi Ito and Anne Krueger, University of Chicago Press, 1997, p119-139.

"Regionalization of World Trade and Currencies: Economics and Politics," (with Jeffrey Frankel), in J. Frankel, ed., The Regionalization of the World Economy, University of Chicago Press, 1999.

"Foreign Direct Investment in China: Source and Consequences," in Financial Deregulation and Integration in East Asia, edited by Takatoshi Ito and Anne Krueger, University of Chicago Press, 1996.

"The Open Door Policy and the China's Rapid Growth: Evidence from City-Level Data," in Growth Theories in Light of the East Asian Experience edited by Takatoshi Ito and Anne Krueger, University of Chicago Press, 1995.

"From Marx to Markets: China's Economic Reforms as a Megapolicy," in John D. Montgomery and Dennis A. Rondinelli, eds., Great Policies: Strategic Innovations in Asia and the Pacific Basin. Westport, Connecticut and London: Praeger Publishers, 1995.

"Speed of Reform and Growth of Non-state-owned Firms in China," in Gang Yi, ed., China's Economic Transition: A Survey of Recent Research, Oxford University Press, 1995.

"European Integration and the Regionalization of World Trade and Currencies: The Economics and the Politics" (with J. Frankel), in Barry Eichengreen, Jeffrey Frieden, and Jurgen von Hagen, eds., Monetary and Fiscal Policy in an Integrated Europe, Berlin, Heidelberg, New York: Springer-Verlag, 1995.

"Attracting Foreign Direct Investment: Has China Reached Its Potential?" China Economic Review, 6(2). 1995. JAI Press.

"Yen Bloc or Dollar Bloc: Exchange Rate Policies of the East Asian Economies," (with J. Frankel), in Macroeconomic Linkages: Savings, Exchange Rates and Capital Flows edited by Takatoshi Ito and Anne Krueger, University of Chicago Press, 1994.

"Emerging Currency Blocs," (with J. Frankel) in The Future of the International Monetary System and Its Institutions, edited by Hans Genberg, Geneva: International Center for Monetary and Banking Studies, 1994.

"A 'Greater China' Trade Bloc?" (S.J. Wei and J. Frankel), China Economic Review, 5(2). 1994. JAI Press.

"APEC and Regional Trading Arrangements in the Pacific," (with J. Frankel and E. Stein), in Wendy Dobson and Frank Flatters, eds., Pacific Trade and Investment: Options for the 90s, John Deutsh Institute for the Study of Economic Policy, Queen's University, Kingston. 1994.

"Trade Blocs and Currency Blocs," (with J. Frankel), NBER Working Paper N0.

4335, 1992. Also in The Monetary Future of Europe, edited by Guillermo de la Deheza, et al. Centre for Economic Policy Research: London, 1993.

"Is There a Currency Bloc in the Pacific?" (with J. Frankel), in Exchange Rates, International Trade and the Balance of Payments, edited by Adrian Blundell-Wignall. Reserve Bank of Australia, Sydney, 1993: 275-308.

"Household Durable Goods Ownership in Tianjin, China" (With T.Hu and M. Li), The China Quarterly, 120:787-799. December, 1989.

Books and Reports

Effects of Financial Globalization on Developing Countries: Some Empirical Evidence, co-authored with Eswar Prasad, Kenneth Rogoff and Ayhan Kose, forthcoming as an IMF Occasional Paper No. 220, 1993, and is currently available at <http://www.imf.org/external/np/res/docs/2003/031703.htm>. Reported in Financial Times (March 18, 2003, p6, "IMF warns on financial globalisation"), The Sydney Morning Herald (March 29, 2003, p74, "IMF big enough to admit a capital offence"), Reuters newswire (March 18, 2003, "IMF: no clear proof globalization helps the poor") and other medias.

The Globalization of the Chinese Economy, co-editor, with James Wen and Huizhong Zhou, Edward Elgar, 2002.

Economic Globalization: Finance, Trade and Policy Reforms, Beijing University Press, 2000.

Regional Trading Blocs in the World Economic System, (Jeffrey A. Frankel with Ernesto Stein and Shang-Jin Wei), Institute for International Economics, 1997.

OTHER PAPERS IN THE PIPELINE

"The Big Players in the Foreign Exchange Market: Do They Trade on Information or Noise?" NBER Working Paper 6256, November 1997, invited to revise and re-submit to Review of International Economics. Featured in the Business Week magazine.

"Globalization and Inequality Without Differences in Data Definition, Legal System and Other Institutions," (with Yi Wu), submitted to the Journal of Political Economy.

"Currency Arrangement and Goods Market Integration: A Price-based Approach," (with David Parsley), submitted to Journal of Monetary Economics.

OTHER WORKING PAPERS

A. International Finance and Trade

"The WTO Promotes, strongly but unevenly." (with A. Subramanian), NBER WP 10024, October 2003.

"A price-based approach to estimate the effects of monetary arrangements on trade." (with D. Parsley).

"Purchasing Power *Dis*-Parity during the Floating Rate Period." (with D. Parsley).

"How Reluctant are Nations in Global Integration?" Harvard University.

"A New Look at the Co-dependency between Trade and Direct Investment," (with T. Ito) 1997.

B. Political Economy Models and Empirics

"Why is Corruption So Much More Taxing Than Tax? Arbitrariness Kills." NBER Working Paper 6255, November 1997.

"To Unite or to Divide: A Theory of Secessions."

"Federation or Commonwealth: A Viable Alternative to Secessions?", 1992

"Love and Hate: State and Non-state Firms in Transition Economies," 1994 (with P. Lian)

C. Behavior Approach to Financial Market

"Are the Forecasts of Exchange Rate Volatility Implicit in Options Prices Excessively Variable?" (with J. Frankel), Presented at NBER Summer Institute, August, 1991.

"Does Loss Aversion Dominate the Market? Naive versus Sophisticated Investors." (with Woonchan Kim), 1999.

PUBLICATIONS IN CHINESE

"*Taiwan's Foreign Exchange and International Finance Policies*," in Gang Yi and Xiaonian Xu, eds., The Taiwan Experience and Its Implications for the Economic Reforms of Mainland China. China Economics Publishing House, 1994.

"*Lowering Entry Barriers to the Banking Sector: A Critical Step in Chinese Financial Reform*," Jiangsu International Finance, 6: 5-7, November, 1993.

"*Designing a Better Stock Market: Lessons from other Asian Economies for China*," Jiangsu International Finance, 6: 3-5, November, 1992.

"*Assessing the Yen Bloc Formation from the East Asian Exchange Rate Policies*," Jiangsu International Finance, 4: 5-8, July, 1992.

"*Currency Options: A Survey*," Jiangsu International Finance, 1: 16-19, January, 1992.

"*Stochastic Economics and the Analysis of Monetary Policy*," World Economy Forum, 3: 28-35, 1988.

"*An Exploratory Study of the Chinese Exchange Rate System*," World Economy Forum, 5: 56-62, 1986.

EDUCATION

Ph.D in Economics, University of California, Berkeley, 1992

MS in Business Administration (Finance), University of California, Berkeley, 1991

MA in Economics, Pennsylvania State University, 1988

BA in World Economy, Fudan University, 1986

OTHER BROWNIE POINTS

Policy Impact

As an advisor at the World Bank during 1999-2000, I developed the concept of "special governance zones" as an entry strategy for an anti-corruption reform. Together with Bert Hofman, Randy Ryterman, and Maria Gonzalez de Asia, we received a special grant from the Danish Trust Fund to pilot this concept, and a first-prize People's Choice Award as a most replicable innovation in the second international Innovation Marketplace competition on February 8-9, 2000.

Reports of My Research in Newspapers, Magazines, or TV/Radio Interviews

1. Citation of my Research on Trade

South China Morning Post, Hong Kong, June 11, 2004, "Embrace free trade in services," Raghuram Rajan and Shang-Jin Wei.

The Business Times, Singapore, June 8, 2004, "The non-threat that is outsourcing", Raghuram Rajan and Shang-Jin Wei.

Business World, November 11, 2003, "WTO efforts push up global imports by as much as 68%", by Norman P. Aquino, citing the study by Subramanian and Wei, NBER WP.

South China Morning Post, September 9, 2003, "How to get the most from world trade", by Arvind Subramanian and Shang-Jin Wei.

Chicago Tribune, March 24, 2002, "Does free trade breed poverty?" by Steve Chapman

Economist, September 16, 1995, "The Right Direction?" (Referencing to the paper by Jeffrey Frankel, Ernesto Stein, and Shang-Jin Wei on regional trade blocs).

Voice of America Interview (China Branch) on APEC by Luo Lan, 1995.

Business Week, January 10, 1994, p23. "Is the East Asian Trade Bloc Merely a Paper Tiger?" by Gene Koretz.

2. Citation of my Research on International Finance and Exchange Rate

The Straits Times, Singapore, April 24, 2004, "India set to win larger slice of investment pie", by Pranay Gupte.

Financial Times, September 2, 2003, "The emerging truth of going global", by Eswar Prasad and Kenneth Rogoff.

Business World, May 13, 2003, "Yellow Pad - Financial integration revisited." By Filomeno S. Sta. Ana III.

The Sydney Morning Herald, March 29, 2003, p74, "IMF big enough to admit a capital offence."

Reuters newswire, March 18, 2003, "IMF: no clear proof globalization helps the poor."

Financial Times, March 18, 2003, p6, "IMF warns on financial globalisation."

Business Week, January 12, 1998, p32, "Risky Trading in Currencies," by Gene Koretz (Reporting Shang-Jin Wei and Jungshik Kim, "Large Players in the Foreign Exchange Market: Do They Trade on Information or Noise?" NBER WP6256, November 1997).

3. Citation of my Research on Corruption and Governance

Portuguese News Digest, Oct 24, 2003, "Brazil Fails To Receive Half of Potential Foreign Investments due to Corruption".

Indian Business Insight, June 18, 2003, "Insider trading relatively high in India (China, Russia, Venezuela and Mexico)".

The Economist, May 3, 2003, "Shipbuilding - Shipbuilding."

Dow Jones International News, November 13, 2002 "Investors Tend To Avoid More Opaque Markets: IMF Study" by Alan Yonan Jr.

Financial Times, October 17, 2000, "Investors See Corruption as a Barrier," by Alan Beattie. A write-up of my research paper with Beata Smarzynska, "Corruption and Composition of Foreign Direct Investment: Firm-level Evidence." NBER Working Paper 7969.

Economist, September 9, 2000, "Closed Borders and Open Palms." A one-page write-up in

the "Finance and Economics" section of my paper, "Natural Openness and Good Government." NBER working paper 7765.

Financial Times, May 30, 2000, "Dealing with an Eruption of Corruption," by Philip M. Nichols, in the special section, "Mastering Risk."

Economist, January 16, 1999, "A Global War Against Bribery."

Time magazine, June 22, 1998, Vol. 151 No.25, "A World War on Bribery," by James Walsh.

Financial Times, June 23, 1997, Economics Notebook, "Clear Thinking on Corruption" by Stephanie Flanders. [Also available on the Financial Times' web page.]

U.S. News and World Report, December 22, 1997, "Bye-bye to Bribes: The Industrial World Takes Aim at Official Corruption," by Thomas Omestad.

The Asian Wall Street Journal, Thursday, June 26, 1997, "World Bank Issues Warnings Over Dilution on State Role," by G. Pierre Goad.

(The London) **Times**, Friday, August 1, 1997, p10, "Britain Moves Higher in Bribery League."

Economist, August 2, 1997, p52, "Who Will Listen to Mr. Clean?"

Chicago Tribune, September 9, 1997, p12, "Panel: Corruption Stunts Progress, Bribe-taking Culture Traps Many in Poverty."

Business Week, December 8, 1997, p30, "The High Cost of Corruption: It's a 'Tax' on Foreign Investment," by Gene Koretz.

The St. Petersburg Times, August 11-17, 1997 (AS, APT), "Corruption Study Says Russia Among Worst."

Voice of America interview by Robert Li for the Chinese program "China Today," (a live program with a call-in segment), August 26, 1997.

Voice of America interview by Linda Cashdan for the English Service program, December 11, 1997.

Voice of America interview by Luo Si, for the Chinese language program, "Economic Outlook," December 16, 1997.