

Li Zeng

Email: lzeng@econ.berkeley.edu **Telephone:** 510-845-5918

BUSINESS ADDRESS:

Department of Economics
508-1 Evans Hall, #3880
Berkeley, CA94720-3880

DESIRED RESEARCH AND TEACHING FIELDS:

PRIMARY

International Economics (finance and trade)
Econometrics (theoretical and applied)
Macro and Monetary Economics

SECONDARY

Industrial Organization

FIELDS OF CONCENTRATION:

International Economics, Econometrics

DISSERTATION TITLE: "Essays on International Finance and Trade"

Expected Date of Completion:	May 2009
Principal Advisor:	Prof. Maurice Obstfeld
Other References:	Prof. Yingyi Qian Prof. Andrew Rose

PRE-DOCTORAL STUDIES:

	DEGREE	DATE	FIELD
Boston College	MA	2003	Economics
Fudan University, China	BA, MA	1998, 2001	Finance

PROFESSIONAL EXPERIENCE:

RESEARCH:

Summer Intern, Policy Development and Review Department, International Monetary Fund, June – August 2007
Research Assistant, Research Department, International Monetary Fund, June 2003 – August 2004
Mainly worked for Dr. Shang-Jin Wei and his co-authors on international trade and finance related projects
Research Assistant to Prof. Richard Arnott, Department of Economics, Boston College, Fall 2001

TEACHING:

Teaching Assistant, Department of Economics, UC Berkeley, (Spring 2005 – Fall 2007)
Graduate Macro Theory (2 terms), Graduate Micro Theory (3 terms), Intermediate Macroeconomics (1 term)
Teaching Assistant, Department of Economics, Boston College (Fall 2002 – Summer 2003)
Math Review for Incoming Graduate Student (summer), Graduate Microeconomic Theory (2 terms)

PUBLICATIONS:

"Exchange Rate Volatility and Trade Flows – Some New Evidence" (with Peter Clark, Shang-Jin Wei, et al),
No. 235, IMF Occasional Paper, International Monetary Fund, 2004.

PAPERS:

"What Explains China's Foreign Reserves – An Empirical Study from a Time Series Perspective" (Job Market Paper)
"The Impact of Trade Liberalization on the Trade Balance in Developing Countries" (with Yi Wu),
IMF Working Papers 08/14, International Monetary Fund, 2008.

FELLOWSHIPS AND AWARDS:

2005-2006	Outstanding Graduate Student Instructor Award, UC Berkeley
2008	Dean's Normative Time Fellowship, UC Berkeley
2003	Mann Fellowship, Boston College
2001-2003	GSAS Fellowship, Boston College
1998	Outstanding Graduates Award, Bureau of Education, Shanghai
1997	Monsanto Fellowship, Fudan University
1994	Waiver of Entrance Examination, Fudan University

OTHER INFORMATION:

Languages:	English (fluent), Chinese (native)
Citizenship:	China

RESEARCH PAPER SUMMARIES

1. What Explains China's Foreign Reserves – An Empirical Study from a Time Series Perspective

(Job Market Paper, 2008)

This paper tries to empirically answer the question of what explains China's foreign reserve holdings. We find that some VEC models motivated by modern mercantilism perform better in predicting China's foreign reserves than selected ARIMA models and those based on precautionary demand theories, both with statistical significance. This suggests that previous econometric studies, whose emphasis has been overwhelmingly placed on precautionary motives, might have missed some more important factors in explaining China's reserve holdings. Further structural analyses of these models show that the buildup of reserve stocks by China has a negative (depreciating) effect on its real exchange rate and a positive impact on its export growth. These findings seem to corroborate the conjecture that the recent increase in China's reserve holdings is a part of its export-led development strategy, and they also suggest that such a policy is effective for China.

Available at: https://bspace.berkeley.edu/access/content/user/242680/ZENG_JMP.pdf

2. The Impact of Trade Liberalization on the Trade Balance in Developing Countries

(with Yi Wu, IMF Working Papers 08/14, International Monetary Fund, 2008)

Using two recently constructed measures of trade liberalization dates, this research studies the impact of trade liberalization on imports, exports, and overall trade balance for a large sample of developing countries. We find strong and consistent evidence that trade liberalization leads to higher imports and exports. However, in contrast Santos-Paulino and Thirwall (2004) who find a robustly negative impact of trade liberalization on the overall trade balance, we only find mixed evidence of such a negative impact. In particular, we find little evidence of a statistically significant negative impact using our first measure of liberalization dates which extends Li (2004). Using a second measure of liberalization dates compiled by Wacziarg and Welch (2003), we find some evidence that liberalization worsens the trade balance, but the evidence is not robust across different estimation specifications, and the estimated impact is smaller than that reported by Santos-Paulino and Thirwall (2004).

Available at: <http://www.imf.org/external/pubs/ft/wp/2008/wp0814.pdf>

3. Exchange Rate Volatility and Trade Flows – Some New Evidence

(with Peter Clark, Shang-Jin Wei, et al, IMF Occasional Paper, No. 235, International Monetary Fund, 2004)

This paper examines the effect of exchange rate volatility on trade, prepared in response to a request from the Director General of the World Trade Organization to the IMF. The IMF produced a study in 1984 for the General Agreement on Tariffs and Trade (GATT) on this subject. Since then, there have been major developments in the world economy, some perhaps having exacerbated fluctuations in exchange rates whereas others perhaps having reduced the impact of volatility on trade. It is therefore appropriate to revisit the issue some 20 years later.

Available at: <http://www.imf.org/external/np/res/exrate/2004/eng/051904.pdf>