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ESWAR S. PRASAD

Nandlal P. Tolani Senior Professor of Trade Policy
International Professor of Applied Economics and Management
Cornell University

Department of Applied Economics and Management
440 Warren Hall, Ithaca, NY 14853

Email: eswar.prasad@cornell.edu *Tel:* 607.255.5687
Website: <http://prasad.aem.cornell.edu> *Fax:* 607.255.9984

Affiliations

Senior Fellow and New Century Chair in International Economics, Brookings Institution,
Washington, DC
Research Associate, National Bureau of Economic Research, Cambridge, MA
Research Fellow, IZA (Institute for the Study of Labor), Bonn, Germany

Education

Ph.D., Economics, University of Chicago, 1992
*Thesis: "Employment, Wage, and Productivity Dynamics in an Equilibrium Business
Cycle Model with Heterogeneous Labor" Supervised by Professors Robert E.
Lucas, Jr., Robert M. Townsend and Michael Woodford*
M.A., Economics, Brown University, 1986
B.A., Economics, Mathematics, and Statistics, University of Madras, 1985

Employment

Tolani Senior Professor of Trade Policy, Cornell University, 2007-present
Division Chief, Financial Studies Division, Research Department, IMF, 2005-2006
Division Chief, China Division, Asia and Pacific Department, IMF, 2002-2004
Assistant to the Director, Research Department, IMF, 2000-2002
Senior Economist, IMF, 1998-2000
Economist, IMF, September 1990-1998
Research Assistant, Professor Robert E. Lucas, Jr., University of Chicago, 1988-89
Research Assistant, Professor John Huizinga, University of Chicago, 1986-87

Professional Experience

Mission Chief for IMF Article IV Consultation missions to Myanmar (2002) and Hong
Kong (2003-04), and IMF Staff Visit to China (2003). Deputy Chief for IMF Article IV
Consultation missions to China (2002-04). Participated in IMF Article IV Consultation

missions to the U.S. (1992-94), Canada (1991-93), the Bahamas (1991-93), Japan (1995), Switzerland (1996), Italy (1997), Germany (1999) and the U.K. (2000). Extensive experience in policy issues concerning China, globalization, business cycles, labor markets, international trade, exchange rates, and monetary policy. Wrote a number of policy-oriented background papers on these topics for IMF country reports.

Member of analytical team for High-Level Committee on Financial Sector Reforms appointed by Planning Commission, Government of India, 2007-08 (Chairman: Raghuram Rajan).

I have testified before the U.S. Senate Finance Committee, the House of Representatives Committee on Financial Services and the U.S.-China Economic and Security Review Commission, and some of my research has been placed on the official Congressional Record.

Many of my research papers and quotes from my speeches have been cited extensively in wire service stories as well as prominent media outlets including *Business Week*, *Economist*, *Financial Times*, *Forbes*, *International Herald Tribune*, *New York Times*, *Wall Street Journal*, *Washington Post*, *USA Today* and numerous other international and regional newspapers. I have also written op-ed articles for many of these newspapers. I have made frequent appearances on BBC, Bloomberg, CNBC, CNN, C-SPAN, Fox, NBC, NPR, PBS, Reuters and other radio and television channels.

Founding editor of *IMF Research Bulletin*, a quarterly report on research activities at the IMF, June 2000-December 2002.

Associate editor of *IMF Staff Papers*, the IMF's scholarly journal, 1999.

Co-editor of *IMF Staff Papers*, 2000-06.

Editorial advisor, *Finance & Development*, 2004-06.

Reviewer for National Science Foundation grant proposals. Refereed papers for *JPE*, *AER*, *JEL*, *REStud.*, *REStat.*, *EJ*, *JME*, *EER*, *JDE*, *JIE*, *JMCB*, *JBES*, *JIMF* and numerous other journals.

Teaching

Cornell: AEM/ECON 7670--Topics in International Finance (Graduate)

Cornell: AEM/ECON 4540--China's and India's Growth Miracles (Undergraduate)

European Commission: The Macroeconomics of Financial Globalization

Professional Service

Council Member, Institute for the Advancement of Economics at Cornell

Member, Advisory Committee, Peterson Institute for International Economics

Member, Advisory Board, China and the World Economy

Journal Articles

- “Why are Saving Rates of Urban Households in China Rising?” (with Marcos Chamon) **American Economic Journal: Macroeconomics**, forthcoming.
- “Does Openness to International Financial Flows Raise Productivity Growth?” (with Ayhan Kose and Marco Terrones) **Journal of International Money and Finance**, forthcoming.
- “Some New Perspectives on India’s Approach to Capital Account Liberalization,” **Brookings India Policy Forum**, forthcoming.
- “Does Financial Globalization Promote International Risk Sharing?” (with Ayhan Kose and Marco Terrones) **Journal of Development Economics**, forthcoming.
- “Financial Globalization: A Reappraisal,” (with Ayhan Kose, Kenneth Rogoff and Shang-Jin Wei) **IMF Staff Papers**, April 2009. [*Featured in the Economist Magazine’s Economic Focus column, November 2006*].
- “Is the Chinese Growth Miracle Built to Last?” **China Economic Review**, March 2009.
- “A Pragmatic Approach to Capital Account Liberalization,” (with Raghuram Rajan) **Journal of Economic Perspectives**, Summer 2008.
- “Foreign Capital and Economic Growth,” (with Raghuram Rajan and Arvind Subramanian) **Brookings Papers on Economic Activity**, September 2007.
- “A Framework for Independent Monetary Policy in China,” (with Marvin Goodfriend) **CESifo Economic Studies**, February 2007.
- “Changes in the Earnings Structure during the Polish Transition,” (with Michael Keane) **Journal of Development Economics**, June 2006.
- “Modernizing China’s Growth Paradigm,” (with Raghuram Rajan) **American Economic Review Papers & Proceedings**, May 2006.
- “How Do Trade and Financial Integration Affect the Relationship Between Growth and Volatility?” (with M. Ayhan Kose and Marco Terrones) **Journal of International Economics**, May 2006.
- “The Unbearable Stability of the German Wage Structure: Evidence and Interpretation,” **IMF Staff Papers**, September 2004.
- “How Does Globalization Affect the Synchronization of Business Cycles?” (with Ayhan Kose and Marco Terrones) **American Economic Review Papers & Proceedings**, May 2003.

- “Medium-Term Determinants of Current Accounts in Industrial and Developing Countries: An Empirical Exploration,” (with Menzie Chinn) **Journal of International Economics**, January 2003.
- “Identifying the Common Component in International Economic Fluctuations: A New Approach,” (with Robin Lumsdaine) **The Economic Journal**, January 2003.
- “Wage Inequality in the United Kingdom, 1975-99,” **IMF Staff Papers**, October 2002.
- “Inequality, Transfers and Growth: New Evidence from the Economic Transition in Poland,” (with Michael Keane) **Review of Economics and Statistics**, May 2002.
- “Possible Effects of European Monetary Union on Switzerland: A Case Study of Policy Dilemmas Caused by Low Inflation and the Nominal Interest Rate Floor,” (with Douglas Laxton) **Journal of Policy Modeling**, August 2001.
- “Macroeconomic Fluctuations in Developing Countries: Some Stylized Facts,” (with Pierre-Richard Agénor and John McDermott) **World Bank Economic Review**, May 2000.
- “International Trade and the Business Cycle,” **The Economic Journal**, October 1999.
- “International Evidence on the Determinants of Trade Dynamics,” (with Jeffery Gable) **IMF Staff Papers**, September 1998.
- “Labor Market Adjustment in Canada and the United States,” (with Alun Thomas) **Canadian Public Policy**, Winter 1998.
- “Real Exchange Rate Fluctuations and the Business Cycle: Evidence from Japan,” (with Bankim Chadha) **IMF Staff Papers**, September 1997.
- “Sectoral Shifts and Structural Change in the Japanese Economy: Evidence and Interpretation,” **Japan and the World Economy**, August 1997.
- “Currency Unions, Economic Fluctuations, and Adjustment: Some New Empirical Evidence,” (with Tamim Bayoumi) **IMF Staff Papers**, March 1997.
- “Skill Heterogeneity and the Business Cycle,” **Canadian Journal of Economics**, November 1996.
- “Employment and Wage Effects of Oil Price Changes: A Sectoral Analysis,” (with Michael Keane) **Review of Economics and Statistics**, August 1996.
- “Are Prices Countercyclical? Evidence from the G-7,” (with Bankim Chadha) **Journal of Monetary Economics**, October 1994.

“Skill Levels and the Cyclical Variability of Employment, Hours, and Wages,” (with Michael Keane) **IMF Staff Papers**, December 1993.

“Interpreting the Cyclical Behavior of Prices,” (with Bankim Chadha) **IMF Staff Papers**, June 1993.

New Papers

“Rebalancing Growth in Asia.”

“Threshold in the Process of International Financial Integration” (with Ayhan Kose and Ashley Taylor).

“Global Business Cycles: Convergence or Decoupling?” (with Ayhan Kose and Christopher Otrok).

Current Research

“Is it Real or Financial? Convergence and Decoupling” (with Ayhan Kose and Christopher Otrok).

“Income, Consumption and Wage Inequality in China” (with Marcos Chamon).

“What Should an Inflation Targeting Central Bank Target?” (with Rahul Anand).

Books and Monographs

Editor of **New Monetary Policy Frameworks for Emerging Markets: Coping with the Challenges of Financial Globalization** (co-editors: Gill Hammond and Ravi Kanbur), Edward Elgar Press, 2009.

Editor of **China and India: Learning from Each Other** (co-editors: Jahangir Aziz and Steven Dunaway), IMF Press, 2006.

Editor of “China’s Growth and Integration with the World Economy: Prospects and Challenges,” **IMF Occasional Paper No. 232**, 2004.

Editor of “Hong Kong SAR: The Challenges of Integration with the Mainland,” **IMF Occasional Paper No. 226**, 2004.

“Effects of Financial Globalization on Developing Countries: Some Empirical Evidence,” (with Kenneth Rogoff, Shang-Jin Wei and M. Ayhan Kose), **IMF Occasional Paper No. 220**, 2003. [*Featured in the Economist Magazine’s Economics Focus Column, November 2006*].

Abridged version of this study published in **Economic and Political Weekly**, India, October 2003, and reprinted in **India's and China's Recent Experience with Reform and Growth** edited by Wanda Tseng and David Cowen (Palgrave MacMillan), 2005. Revised and extended version published in **Globalization and Poverty**, edited by Ann Harrison (Chicago, IL: University of Chicago Press for NBER), 2006.

“Perspectives on Regional Unemployment in Europe,” (with Paolo Mauro and Antonio Spilimbergo) **IMF Occasional Paper No. 177**, 1999.

“MULTIMOD Mark III: The Core Dynamic and Steady State Models,” (with Douglas Laxton, Peter Isard, Hamid Faruquee, Bart Turtelboom) **IMF Occasional Paper No. 164**, 1998.

Book Chapters and Other Publications

“China's Growth Model: Choices and Consequences,” in **Emerging Giants: The Chinese and Indian Economies in Comparative Perspective**, edited by Barry Eichengreen, Poonam Gupta and Rajiv Kumar (Oxford University Press), forthcoming.

“Financial Globalization and Macroeconomic Policies,” (with Ayhan Kose, Kenneth Rogoff and Shang-Jin Wei) in **Handbook of Development Economics**, edited by Dani Rodrik and Mark Rosenzweig (Elsevier Press), forthcoming.

“Monetary Policy Independence, the Currency Regime, and the Capital Account in China,” in **China's Exchange Rate Policy**, edited by Morris Goldstein and Nicholas Lardy, Peterson Institute for International Economics, 2008.

Reprinted in **Capital Flows, Macroeconomic Management and Regional Cooperation in Asia**, edited by Kyung Tae Lee and Ramkishen S. Rajan, Korea Institute for International Economic Policy, 2008; and in **China's Reforms at 30: Challenges and Prospects**, edited by Dali Yang and Litao Zhao (World Scientific Press), 2008.

“Patterns of International Capital Flows and their Implications for Economic Development,” (with Raghuram Rajan and Arvind Subramanian) in the **Proceedings of the 2006 Jackson Hole Symposium**, Federal Reserve Bank of Kansas City. [*Featured in the Economist Magazine's Economic Focus column, September 2006*].

“Exchange Rate Flexibility in China: Why It Really Matters,” in **China at the Crossroads: FX and Capital Markets Policy for the Next Decade**, edited by Charles Calomiris (Columbia University Press), 2007.

“Monetary Policy Implementation in China,” (with Marvin Goodfriend) in **Monetary Policy Strategies for Asia: Proceedings of a BIS-HKIMR Conference**, edited by Hans Genberg and Robert McCauley, 2007.

“Putting the Cart Before the Horse? Capital Account Liberalization and Exchange Rate Flexibility in China,” (with Thomas Rumbaugh and Qing Wang) **IMF Policy Discussion Paper** PDP/05/1, January 2005. [*Featured in the Economist Magazine’s Economic Focus column, March 18, 2005*].

Published in **China and the World Economy**, 2005. Reprinted in **Globalization and Growth in China**, edited by Linda Yueh and Yao Yang (World Scientific Press), 2006; and in **China and India: Learning from Each Other**, edited by Jahangir Aziz, Steven Dunaway and Eswar Prasad (IMF), 2006.

“China’s Approach to Capital Inflows: Patterns and Possible Explanations,” (with Shang-Jin Wei) in **Capital Controls and Capital Flows in Emerging Economies: Policies, Practices, and Consequences**, edited by Sebastian Edwards (Chicago, IL: University of Chicago Press for NBER), 2007.

Revised and extended version in **China at the Crossroads: FX and Capital Markets Policy for the Next Decade**, edited by Charles Calomiris (Columbia University Press), 2007. Reprinted in **Policy Reform and Chinese Markets: Progress and Challenges**, edited by Belton Fleisher, Nicholas Hope, Anita Pena and Dennis Yang (Edward Elgar), 2008.

“Growth and Volatility in an Era of Globalization,” (with M. Ayhan Kose and Marco Terrones) in **IMF Staff Papers: Selected Proceedings of the MussaFest Conference**, edited by Robert Flood, 2005.

“Volatility and Comovement in an Integrated World Economy: An Empirical Exploration,” (with M. Ayhan Kose and Marco Terrones) in **Proceedings of the 2003 Kiel Week Conference: Macroeconomic Policies in the World Economy**, edited by Horst Siebert (Springer-Verlag), 2004.

“What Determines the Reservation Wages of Unemployed Workers? New Evidence from German Micro Data,” in **Institutions and Wage Formation in the New Europe**, edited by Gabriel Fagan, Francesco Mongelli and Julian Morgan (Edward Elgar), 2004.

“Financial Integration and Macroeconomic Volatility” (joint with M. Ayhan Kose and Marco Terrones) **IMF Staff Papers: Proceedings of the Third Annual Research Conference of the IMF**, 2003.

“Redistribution and Growth in the Polish Transition: An Analysis from Political Economy and New Growth Theory Perspectives,” (with Michael Keane), in

Growth and Inequality: Issues and Policy Implications, edited by Eicher and Turnovsky (MIT Press), 2003.

“Consumption and Income Inequality During Early Transition: Poland, 1985-92” (with Michael Keane) **IMF Staff Papers: Proceedings of the First Annual Research Conference of the IMF**, November 2001.

“The Dynamics of Reservation Wages: Preliminary Evidence from the GSOEP,” **Proceedings of the 2000 GSOEP Conference** (Berlin, Germany: DIW), 2001.

“International Spillovers of Macroeconomic Shocks: A Quantitative Exploration,” (with Douglas Laxton) in **EMU, Financial Markets and the World Economy**, edited by Thomas Moser and Bernd Schips (Kluwer Academic Publishers), 2000.

“A Disaggregated Analysis of Employment Growth Fluctuations in Canada,” (with Alun Thomas) **Atlantic Economic Journal**, September 1998.

“Labor Market Aspects of Industrial Restructuring in Canada,” **Canadian Business Economics**, Fall 1993.

Other Papers

“Shocks and Structural Breaks: Labor Market Reforms in the United Kingdom,” (with Ramana Ramaswamy) IMF Working Paper, December 1994.

“Changes in the Relationship between the Long-Term Interest Rate and Its Determinants,” (with William Lee) IMF Working Paper, October 1994.

“The Canadian Labor Market: Developments, Policy, and Prospects,” IMF Working Paper, September 1994.

Non-technical Articles

Review of China’s Great Economic Transformation edited by L. Brandt and T. Rawski, **Journal of International Economics**, forthcoming.

“Next Generation Financial Reforms for India,” (with Raghuram Rajan) **Finance & Development**, September 2008.

“How Much Convergence? How Much Decoupling?” (with Ayhan Kose and Christopher Otrok) **Finance & Development**, June 2008.

“Financial Globalization: What to Think When Capital Flows Uphill,” **Milken Institute Review**, Spring 2008.

“China’s Currency Crunch: Why China Should Adopt a More Flexible Exchange Rate,” (with Marvin Goodfriend) **Foreign Policy**, Jan/Feb 2008.

“The Welfare Implications of Global Financial Flows” **The Cato Journal**, Spring/Summer 2007.

“Financial Globalization: Beyond the Blame Game” (with M. Ayhan Kose, Kenneth Rogoff and Shang-Jin Wei) **Finance & Development**, March 2007.

“The Paradox of Capital” (with Arvind Subramanian and Raghuram Rajan) **Finance & Development**, March 2007.

“Controlled Capital Account Liberalization: A New Approach” (with Raghuram Rajan), **IMF Policy Discussion Paper** PDP/05/7, October 2005.

“Next Steps for China: Why Financial Sector Reform is a Crucial Element of a Longer-Term Growth Strategy,” **Finance & Development**, September 2005.

“Taking the Plunge Without Getting Hurt: How Globalization Has Changed the Relationship Between Growth and Volatility,” (with M. Ayhan Kose and Marco Terrones) **Finance & Development**, December 2004.

“Capital Account Liberalization,” (with M. Ayhan Kose) **Finance & Development**, September 2004.

“Growth and Stability in China: Prospects and Challenges,” **Economic & Political Weekly** (India), May 2004.

“Beyond the Great Wall: China’s Integration into the Global Trading System,” (with Thomas Rumbaugh) **Finance & Development**, December 2003.

“Thinking Big: How Can Small States Hold Their Own in an Increasingly Globalized Economy,” (with Ayhan Kose) **Finance & Development**, December 2002.

“Inequality, Transfers and Growth in Transition” (with Michael Keane) **Finance & Development**, March 2001.

Newspaper Op-eds

“The Insurance Solution,” **Wall Street Journal Asia**, March 11, 2009.

“No More Tinkering at the IMF,” **Financial Times**, November 3, 2008.

“Emerging Lessons from the Crisis,” distributed internationally through **Project Syndicate**, September 2008.

- “Monetary Policy Myths,” (with Raghuram Rajan) **Business Standard** (India), May 21, 2008.
- “Exchange Rate Policy” (with Raghuram Rajan) **Business Standard** (India), April 28, 2008.
- “Why an Inflation Objective?” (with Raghuram Rajan) **Business Standard** (India), April 25, 2008.
- “How to Fix India’s Financial Sector,” (with Raghuram Rajan) **Wall Street Journal Asia**, April 7, 2008. Reprinted in **Mint** (India), April 8, 2008.
- “Macro Framework for NextGen Financial Reforms,” **Economic Times** (India), April 8, 2008.
- “The Incredible Shrinking Economies of China and India,” distributed internationally through **Project Syndicate**, March 2008.
- “Chinese Road to Nowhere,” **Financial Times**, January 25, 2008. [This piece is actually about India]
- “Tigers or Kittens,” **International Herald Tribune**, January 9, 2008.
- “Muddling Through in the Maelstrom,” **Economic Times** (India), October 22, 2007.
- “Cracking Open India’s Capital Account,” **Wall Street Journal Asia**, May 29, 2007.
- “Reserve Relief,” (with Raghuram Rajan) **Wall Street Journal Asia**, February 28, 2007.
- “An Independent Monetary Policy for China,” (with Marvin Goodfriend) distributed internationally through **Project Syndicate**, November 2006.
- “Rebalancing Growth in China,” (with Steven Dunaway) **International Herald Tribune**, January 12, 2006.
- “China’s Financial Sector Challenge,” (with Raghuram Rajan) **Financial Times**, May 10, 2005.
- “Interest Rate Liberalization in China,” (with Steven Dunaway) **International Herald Tribune**, December 4, 2004.
- “The Emerging Truth of Going Global,” (with Kenneth Rogoff) **Financial Times**, September 2, 2003.

Online Columns

“India Should Lead the G-20 Agenda,” April 2, 2009 @ **FT.com**

“The U.S. and China: A Grand Bargain?” @ **FT Economists’ Forum**, January 2009

“The Global Financial Crisis: Getting Beyond the Blame Game” @ **VoxEU.org**, January 2009

“Financial Globalization and Productivity Growth,” (with Ayhan Kose and Christopher Otrok) @ **VoxEU.org**, January 2009

“Lame Duck Meets Hobbled Panda: The China-U.S. Strategic Economic Dialogue” @ **Brookings.edu**, December 2008

“Dissecting the Decoupling Debate,” (with Ayhan Kose and Christopher Otrok) October 2008 @ **VoxEU.org**.

“What Have We Learned About Financial Globalization Since the Asian Crisis?” (with Raghuram Rajan) August 2008 @ **VoxEU.org**

“Rethinking the RMB Debate,” (with Marvin Goodfriend) August 2007 @ **VoxEU.org**

“A New Look at Financial Globalization” (with Ayhan Kose, Kenneth Rogoff and Shang-Jin Wei) June 2007 @ **VoxEU.org**

Research Grants

Einaudi Center for International Studies Seed Grant, Cornell University, 2007.

Lehman Fund Grant, Cornell University, 2007.

National Council for Eurasian and East European Research (NCEEER), Grant for Project entitled “Consumption and Income in a Transition Economy: Evidence from Polish Household Data” (joint with Michael Keane), 1998-2000.

Honors, Awards

University Fellowship, University of Chicago, 1986-90

Bradley Foundation Fellowship, University of Chicago, 1990 (declined)

University Fellowship, Brown University, 1985-86

National Talent Search Scholarship, Government of India, 1982-85

Member of Conference Organizing Committee

“New Developments in Monetary Policy in Emerging Economies” Sponsored by the Bank of England and Cornell University, London, July 17-18, 2007.

“New Perspectives on Financial Globalization” Sponsored by the IMF and Cornell University, Washington, DC, April 26-27, 2007.
“Changing Economic Structures in China and India: Domestic and Regional Implications” Sponsored by the IMF, China Society for Finance and Banking and Stanford Center for International Development, Beijing, October 27-28, 2005.
Organized many sessions (including an invited one) at various AEA Annual Meetings.

Lectures, Seminars

Plenary and other major invited lectures:

Keynote lecture at conference on “Financial Innovation and Emerging Markets— Opportunities for Growth versus Risks for Financial Stability,” organized by German government, Berlin, July 2008.
Foreign Correspondents’ Club, Hong Kong, October 2007.
G-20 Deputies Roundtable organized by the World Economic Forum, Reserve Bank and Treasury of South Africa, and Reinventing Bretton Woods Committee, Durban, South Africa, September 2007.
Plenary panel on “How Does Capital Account Liberalization Affect Growth?” at IMF Seventh Annual Research Conference, Washington, DC, November 2006.
Keynote lecture on “The Exchange Rate Regime, Monetary Policy, and Financial Sector Reforms in China” at Cass Business School-EBRD Conference on Transition Economies, London, September 2006.
Keynote lecture at CESifo Conference on “Understanding the Chinese Economy” Munich, June 2005.
Foreign Correspondents’ Club, Hong Kong, November 2004.
Plenary panel at Harvard China Review Annual Conference, Harvard University, April 2004

Various seminar presentations including at:

Brookings Institution
CEEER, Warsaw
Chulalongkorn University, Thailand
Cornell University
East Asia Institute, National University of Singapore
Georgetown University
Harvard University
Hong Kong University of Science and Technology
Institute for Financial and Management Research, India
Johns Hopkins University
London School of Economics
Madras School of Economics, India
National Institute for Bank Management, Pune, India
Peking University (China Center for Economic Research)
Pune University, India

Singapore Management University
Stanford University
University of British Columbia
University of California, Berkeley
University of California, Santa Cruz
University of Chicago
University of Hong Kong
University of Houston
University of Wisconsin, Madison

Asian Development Bank
Bank for International Settlements
Central Bank of Thailand
China Banking Regulatory Commission
European Bank for Reconstruction and Development
European Central Bank
Federal Reserve Board, Washington, DC
Federal Reserve Bank of San Francisco
Hong Kong Monetary Authority
People's Bank of China
Reserve Bank of India
U.S. Treasury
World Bank