

CONTACT  
INFORMATION

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## EDUCATION

**Ph.D. in Finance, The Wharton School, University of Pennsylvania.**  
- Expected: 2019

**B.Sc. in Quantitative Finance and Risk Management Science, The Chinese University of Hong Kong. 2013**  
- First Class Honors

RESEARCH  
INTERESTS

Corporate Finance, Financial Institutions and Financial Markets

WORKING  
PAPERS

**“Capital Flows in the Financial System and Supply of Credit”** (Job Market Paper)  
- Presented at INSEAD-Wharton Doctoral Consortium 2018, Young Economist Symposium 2018

This paper develops a model to study how capital flows in the financial system affect the coordination problem among banks in supplying credit to the real economy. The economy is susceptible to self-fulfilling credit freezes, in which banks abstain from lending in fear that other banks will withhold lending, and the resulting credit contraction will impede economic growth. Capital flows across banks can alleviate the problem by allowing banks that are prone to supply credit to borrow from other banks and extend more credit to the real economy. However, the equilibrium interest rate reveals public information about the economic fundamentals and the aggregate willingness to lend, increasing the fragility of the credit market. As a result, the economy can get stuck in an equilibrium, in which interbank capital flows and real credit supply freeze at the same time and reinforce each other through a vicious feedback loop. My model provides empirical implications that are consistent with the shallow post-crisis recovery. I also show that regulations addressing concerns of counterparty risks help maintain active capital flows in the financial system and stabilize the real credit market.

**“Intervention with Screening in Global Games”** with Junyuan Zou

- Winner of 2017 UECE Lisbon Meetings Best Graduate Paper Award, and Irwin Friend Doctoral Fellowship (Best Third Year Paper), presented at WFA 2017, FIRS 2017

We analyze a canonical binary-action coordination game under the global games framework. To reduce coordination failure, we propose a novel intervention program that screens agents based on their heterogeneous beliefs of the coordination results. Compared with conventional government-guarantee type of programs, it incurs lower cost of implementation and suffers less from moral hazard problems. In equilibrium, only a small mass of “pivotal agents” receiving medium signals self-select to participate in the program. However, the effect is amplified by higher-order beliefs, and coordination failures can be significantly reduced. With negligible information frictions, the proposed program achieves the first-best outcome at zero expected cost. The proposed program can be applied to reduce coordination failures in a wide range of economic contexts.

**“Optimal Regulations in Two Lemon Markets: An Application in Cross-Border Listing”**

- Winner of John Hodges PhD Prize in Finance (Best Second Year Paper), accepted to SFA 2018, Annual Winter MFS Conference 2018, AFA Poster Session 2017

This paper studies regulatory competition in securities markets and its impact on firms’ financing decisions. In the era of globalization, when firms have the option to obtain financing abroad, foreign regulations become relevant for domestic firms’ financing decisions. I build a model with two open economies, each having a stock market with adverse selection problems. The regulators of the two economies strategically set regulations to compete for good firms in both economies. I show that weak economic fundamentals tie the hands of a regulator in the regulatory competition because domestic firms cannot afford high regulatory burden. As a result, consistent with empirical observations of cross-border listing, there exists an equilibrium in which the strong economy has stricter regulations than the weak economy, and the good firms in the weak economy flow to the strong economy to signal for good quality.

**“Corruption and Competition”** with Franklin Allen and Jun “QJ” Qian

- Presented at JLFA 2016, Symposium on Emerging Financial Markets 2016

This paper investigates how a central government can effectively curtail the corruption of local government officials. An interesting aspect of corruption is that its damaging effects on economic performance differ significantly across countries. We show that if a central government collects sufficient taxes, it can fight corruption by rewarding local government officials based on performance. Without sufficient budget, the central government can reduce corruption alternatively by encouraging competition among local government officials. We also provide empirical evidence that differences in taxing ability and the magnitude of competition among government officials can help explain the heterogeneous effects of corruption across countries.

TEACHING  
EXPERIENCE

**Teaching Assistant, The Wharton School, University of Pennsylvania**

Corporate Finance and Financial Institutions, PhD (2018, 2017)

Advanced Corporate Finance, MBA (2018, 2016)

Evaluating Evidence, Undergraduate (2018)

Corporate Finance, Executive MBA (2017, 2016, 2015)

Private Wealth Management (2018, 2017)

**Teaching Assistant, The Chinese University of Hong Kong**

Investment Analysis and Portfolio Management, Undergraduate (2012)

FELLOWSHIPS,  
HONORS,  
AND AWARDS

**UECE Lisbon Meetings**

Best Graduate Paper Award, 2017

**Western Finance Association**

Cubist Systematic Strategies Ph.D. Candidate Award for Outstanding Research, 2017

**University of Pennsylvania**

Wharton School Doctoral Travel Grant, 2017

Irwin Friend Doctoral Fellowship in Finance (Best third-year paper), 2016-2017

Windelman Fellowship, awarded for outstanding research, 2015-2017

John Hodges PhD Prize in Finance, (Best second-year paper), 2015-2016  
Miller, Anderson & Sherrerd Graduate Fellowship (Best performance in the PhD preliminary exam), 2014-2015  
Dean's Fellowship for Distinguished Merit, 2013-2018

**The Chinese University of Hong Kong**

Dean's List for Distinguished Merit of Business Faculty and Science Faculty, 2009-2013  
HKSAR Government Scholarship, 2009-2013

SELECTED  
PRESENTATIONS

Western Finance Association Annual Meeting, 2017.  
Financial Intermediation Research Society (FIRS), 2017.  
UECE Lisbon Meetings in Game Theory and Applications, 2017.

LANGUAGES

Mandarin (native), English (fluent), Cantonese (fluent)

SCHOOL SERVICE

Wharton Quinquennial Departmental Review, *Internal Committee Member*, 2017-2018

REFERENCES

**Itay Goldstein** (Chair)

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Professor of Finance  
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